

Cleveland County Board of Commissioners
June 6, 2017

The Cleveland County Board of Commissioners met in a regular session on this date, at the hour of 6:00 p.m. in the Commission Chamber of the Cleveland County Administrative Offices.

PRESENT: Eddie Holbrook, Chairman
Susan Allen, Vice-Chair
Jason Falls, Commissioner
Johnny Hutchins, Commissioner
Ronnie Whetstine, Commissioner
Jeff Richardson, County Manager
Tim Moore, County Attorney
Phyllis Nowlen, Clerk to the Board
Kerri Melton, Community Services Director
Perry Davis, Emergency Management Director
Brian Epley, Finance Director
Chris Green, Tax Administrator
Allison Mauney, Human Resources Director
Andrea Leslie-Fite, Assistant County Attorney
Betsy Harnage – Register of Deeds
Dayna Causby – Board of Elections Director

CALL TO ORDER

Chairman Eddie Holbrook called the meeting to order and Commissioner Falls led the audience in the Pledge of Allegiance and provided the invocation for the meeting. Civil Air Patrol Squad NC050 presented the colors.

AGENDA ADOPTION

ACTION: Commissioner Allen made the motion seconded by Commissioner Hutchins and unanimously approved by the Board to, ***approve the agenda.***

SPECIAL PRESENTATION

Commissioner Holbrook recognized Steve Padgett, Director of Small Business Center, to present the Certified Entrepreneurial Community update.

Cleveland County



Cleveland / Cherokee County, SC



Cleveland / Lincoln County



Cleveland / Gaston County



Cleveland / Rutherford County



DOT Crew at Work



DOT: (L to R)

Kelly McMurray, Travis Bingham, Ronnie Pendergrast, Tim Owens



The Certified Entrepreneurial Community (CEC) program has transitioned from the startup phase into the operational phase. Recertification for this program is due in 2018. Mr. Padgett discussed the process of obtaining and placing the Certified Entrepreneurial signs at various Cleveland County borders. He then pulled up the Certified Entrepreneurial website and demonstrated the vast resources available on the website. Mr. Padgett noted there are links to the Economic Development Partnership and Cleveland County's website on the CEC website. The Board thanked Mr. Padgett for all his hard work and dedication with this program.

CITIZEN RECOGNITION

No citizens registered to speak.

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes of the *May 17, 2017 regular meeting*, in Board Members packets.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, and passed unanimously by the Board to, *approve the minutes as written.*

MANAGER'S REPORT

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, and passed unanimously by the Board to, *approve the Manager's Report.*

Cleveland County, North Carolina

Monthly Financials & Manager's Report

FY 2016-2017 Budget

EXECUTIVE SUMMARY

Financial:

- The LeGrand Center continues to perform at a higher than expected level. LeGrand has hosted 332 events year to date, up from a total of just over 300 last year, and revenue amounts are trending 10% higher than the prior year.
- The County's external auditors are scheduled to begin initial year-end field work on site in late June. Staff has been focused on strategically strengthening the improvement areas identified at DSS in the prior year and is optimistic for a positive report.
- Year to date Cleveland County has collected 87.2% of budgeted revenues or \$95,942,591. Expenditures are tracking at 81.2% of budget or \$91,683,046. After year end and all accounts are closed and reconciled, staff anticipates that revenue will be in line with budgeted amounts and expenditures will have a positive budget variance. Anticipated un-Assigned fund balance projection of 18.4%.
- Cleveland County has successfully applied for and received a refund from the NCDOR in the amount of \$55,000. The County had erroneously paid solid waste disposal tax on sludge over the past several years. Cleveland County staff noted the error, applied for the refund and the amount of overpayment was fully refunded.
- See attached for lateral and departmental line item transfers between 04/28/2017 – 5/29/17:

County of Cleveland, North Carolina
 Manager's Budget Summary
 Presented at the 06/06/2017 Board Meeting
 Time Period Covered : 04/28/17 to 5/29/2017

LATERAL BUDGET TRANSFER LISTING

| BTL# | TO DEPT | DEPT NAME | FROM DEPT | EXPLANATION | BUDGET AMOUNT | DATE POSTED |
|------|---------|-----------------------|-----------|---|---------------|-------------|
| 036 | 43.232 | Econ Dev | 40.210 | Economic Development Legal Consultation | \$ 2,915.00 | 5/3/17 |
| 037 | 10.416 | Legal | 10.998 | Foreclosure property Cost | 7,238.00 | 5/10/17 |
| 038 | 43.232 | Econ Dev | 40.210 | Economic Development Legal Consultation | 5,995.00 | 5/10/17 |
| 039 | 10.416 | Legal | 10.998 | Cover addl fees owed to Clerk of Court for sale of parcel #s 27395/27398. | 122.00 | 5/12/17 |
| 040 | 40.230 | Cap Proj-DA Office | 40.210 | District Attorney's office capital project closeout. Budget Move only. | 142,714.00 | 5/23/17 |
| 041 | 40.234 | Cap Proj-Animal Shltr | 40.210 | Capital Improvements for Animal Shelter | 74,191.00 | 5/23/17 |

County of Cleveland, North Carolina
 Manager's Budget Summary
 Presented at the 06/06/2017 Board Meeting
 Time Period Covered : 04/28/2017 to 05/29/2017
 For Fiscal Year Ending June 30, 2017

DEPARTMENTAL LINE ITEM TRANSFERS FOR DEPT

| DBLIT # | DATE SUBMITTED BY DEPT | DEPT NAME | EXPLANATION | BUDGET AMOUNT |
|---------|------------------------|-----------------------------|--|---------------|
| 53502 | 4/24/2017 | Health Promotions | Cover year-end purchases of educational materials | \$ 1,000.00 |
| 54810 | 4/24/2017 | CODAP | Cover year-end purchases of educational materials | 1,512.00 |
| 41907 | 4/24/2017 | ROD | Cover purchase of 2 scanners | 1,000.00 |
| 61104 | 4/25/2017 | Library | Cover fuel for Director's trip in van | 100.00 |
| 53802 | 4/24/2017 | Health/Maternal Health | Cover purchase of cross cut paper shredder needed by HIPAA regulations | 670.00 |
| 53904 | 4/24/2017 | Health/Family Planning | Cover purchase of replacement exam light | 790.00 |
| 44607 | 4/12/2017 | EMS | Cover new transmission for EQ1610 | 4,576.00 |
| 50602 | 4/26/2017 | Social Services | Cover increase in supplies and equipment for housekeeping. | 5,600.00 |
| 54008 | 4/28/2017 | Health/WIC | Transfer funds to align with the WIC State Budget | 8,500.00 |
| 54009 | 4/27/2017 | Health/WIC | Cover travel and awards/appreciation and year-end contracted labor | 11,385.00 |
| 44608 | 4/28/2017 | EMS | Cover radios for new trucks, negative balances, and additional departmental supplies and uniforms. | 18,502.00 |
| 61105 | 4/28/2017 | Library | Cover departmental supplies and license fees. | 4,027.00 |
| 66002 | 5/2/2017 | Health/Employee Health | Cover Tier 4 prescription drugs | 6,540.00 |
| 54811 | 5/2/2017 | CODAP | Cvr Upcoming SPF Travel Expenses | 2,550.00 |
| 50603 | 5/1/2017 | Social Services | Cover purchase 2 desks | 2,500.00 |
| 44503 | 5/3/2017 | Emergency Management | Cvr purchase 3 NKT Bundle Thermal Imaging Cameras | 21,404.00 |
| 42607 | 5/8/2017 | Maintenance | Cover purchase of new AC unit for Spangler Branch Library | 1,750.00 |
| 54101 | 5/4/2017 | Health/Environmental Health | Cover repairs of augers | 500.00 |
| 54010 | 5/5/2017 | Health/WIC | Cover year-end advertising expense | 53.00 |
| 53205 | 5/4/2017 | Health/TB/STD/CD | Tr funds to appropriate revenue account | 32,500.00 |
| 42608 | 5/10/2017 | Maintenance | Cover purchase of laptop for Maintenance AC guys | 640.00 |
| 47308 | 5/11/2017 | SW Landfill | Cover purchase of Skid Steer mulcher attachment and increase in price of speed bumps | 23,188.00 |
| 47309 | 5/10/2017 | SW Landfill | Cover off road vehicle supplies, dry cleaning, garbage expense, overage for rental of bldg/space, and increase in Lic's/permits/certs. | 61,489.00 |
| 42609 | 5/15/2017 | Maintenance | Cover purchase of AC unit for COB | 1,110.00 |
| 45302 | 5/11/2017 | Emergency Management | Cover purchase of cable protector and cleaning of table cloths used for Volunteer Appreciation 2017 | 2,093.00 |
| 47310 | 5/15/2017 | SW Landfill | Cover purchase of welding equipment | 10,208.00 |
| 47405 | 5/15/2017 | SW Manned Sites | Cover purchase of trailer | 1,552.00 |
| 54205 | 5/12/2017 | Health/Rabies Control | Cover overages, YE expenses, animal cages, tables, and new flag pole. | 49,608.00 |
| 21008 | 5/18/2017 | Cap Projs-General | Cover contract with Roy Consulting for environmental service | 10,850.00 |
| 44901 | 5/19/2017 | Electronic Maintenance | Cover 2 year S2 Software Upgrade Support July 1,2017 - June 30,2019 | 5,760.00 |
| 54011 | 5/23/2017 | Health/WIC | Cover Incentives for WIC Clients | 243.00 |
| 54604 | 5/23/2017 | Health/Carolina Access | Cover Meal Expenses for May/June meetings | 2,000.00 |
| 54605 | 5/23/2017 | Health/Carolina Access | Cover travel expenses for project code 02200-SPMH | 50.00 |
| 54606 | 5/23/2017 | Health/Carolina Access | Cover Travel expenses for project code 01120-3242 | 1,080.00 |
| 47311 | 5/23/2017 | SW Landfill | Cover wiring supplies to wire new bldg @ landfill - wiring work to be completed by Tim Tallent in Maintenance | 2,057.00 |
| 53007 | 5/19/2017 | Health/General | Cover purchase of speed humps, security cameras for pharmacy area, dept supplies, fuel | 18,918.00 |

CAPITAL PROJECTS: BUDGET AMENDMENT (BNA #055)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, and unanimously

adopted by the Board to *approve the following budget amendment.*

| <u>Account Number</u> | <u>Project Code</u> | <u>Department/Account Name</u> | <u>Increase</u> | <u>Decrease</u> |
|-----------------------|---------------------|--|-----------------|-----------------|
| 483.237.4.350.00 | | Cap Proj-Pinnacle Turn/State Gov Grants | \$350,000.00 | |
| 483.237.4.409.00 | | Cap Proj-Pinnacle Turn/Local Revenues | \$53,455.00 | |
| 483.237.5.991.00 | | Cap Proj-Pinnacle Turn/Const in Progress | \$403,455.00 | |

Explanation of Revisions: Commissioners approved for the County to take control of the funding rec'd from NCDOT for new turn lane at Pinnacle School with the school paying the difference between the bid and state funding. This is to approve the BNA for the bid that was accepted @ the 05/02/17 Commissioner Meeting.

PATTERSON SPRINGS COLLECTION AGREEMENT

Patterson Springs has approved levying a .15 cent tax rate for its residents. The town is asking Cleveland County to collect these taxes as we do with all other municipalities.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, and unanimously adopted by the Board to ***approve the Patterson Springs Collection Agreement.***

NORTH CAROLINA
CLEVELAND COUNTY

THIS AGREEMENT, made and entered into this the 6th day of June, 2017, by and between the County of Cleveland, North Carolina, party of the first part, herein referred to as County, and that Town of Patterson Springs, North Carolina, party of the second part herein referred to as Town:

WITNESSETH:

WHEREAS, the County and the Town have successfully cooperated with each other in the past in the matter of tax assessment listing and bill preparation; and
 WHEREAS, all parties feel that it would be mutually advantageous to expand this area of cooperation to include the creation of a single tax bill and collection of all taxes by the County on a fee basis;
 NOW, THEREFORE, in consideration of the mutual covenants of the parties hereto and for the purposes aforesaid, it is hereby agreed between the County and the Town as follows:

1. That Cleveland County will bill and collect real property taxes for the Town of Patterson Springs from the date of the taxes become due.
2. That Cleveland County will not be responsible for collections of taxes prior to the ten year statute of limitations.
3. That Cleveland County will retain interest earned on collected funds.
4. That where a partial payment is made by a taxpayer, the partial payment should be distributed between the County and the Town proportionately on the same basis as the ratio of the tax rate.
5. That the portion of tax collection (tax, interest, penalties, and other fees) to which the Town is entitled shall be paid to the Town by the County at least monthly.
6. That either party may terminate this contract on ninety (90) days written notice.
7. The effective date of this contract will be July 1, 2017.

IN WITNESS WHEREOF, said County has caused this contract to be signed in its name by its Chairman of the Board of Commissioners, attested by its Secretary, and its Corporate Seal affixed, all in pursuance of authority given by

Resolution of the Board of Commissioners of Cleveland County, North Carolina, on the 6th day of June, 2017.

IN WITNESS WHEREOF, said Town has caused this contract to be signed in its name by its Mayor, attested by its clerk, and its Corporate Seal affixed, all in pursuance of authority given by Resolution of its Board of Alderman of the Town of Patterson Springs, North Carolina, on the 6th day of June, 2017.

CLEVELAND COUNTY, NORTH CAROLINA
By Eddie Holbrook (Seal)
Eddie Holbrook, Chairman
BOARD OF COUNTY COMMISSIONERS

Attest: Phyllis Nowlen (Seal)
Clerk

TOWN OF PATTERSON SPRINGS, NORTH CAROLINA
by Lee Van Caripe (Seal)
Lee Van Caripe, Mayor
Town of Patterson Spring

Attest: [Signature] (Seal)
Clerk

SOLID WASTE FRANCHISE ORDINANCE

At the May 17, 2017 regular meeting Commissioners heard a presentation from Health Director Dorothea Wyant regarding the Solid Waste Franchise Ordinance. Per NCGS 153A-46 a franchise ordinance must be read and approved at two meetings.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, and unanimously adopted by the Board to ***approve the Solid Waste Franchise Ordinance.***

ORDINANCE FOR THE GRANTING OF A FRANCHISE (REFERRED TO AS LICENSE IN THE CLEVELAND COUNTY CODE OF ORDINANCES) FOR THE COMMERCIAL COLLECTION AND DISPOSITION OF SOLID WASTE IN CLEVELAND COUNTY, NORTH CAROLINA

Pursuant to North Carolina General Statute 153A-46 North Carolina General Statute 153A-136 and the Cleveland County Code of Ordinances, and for the purpose of Providing for the proper collection, transportation, recycling and disposal of solid waste Within the County, a franchise is hereby granted, subject to the terms and conditions set Forth herein:

1. The term "license", "licenses" and "licensees" mean "franchise", "franchises" or "franchisees".
2. An exclusive franchise is hereby granted to Republic Services of North Carolina, LLC, d/b/a/ GDS, a North Carolina limited liability company, for the right, subject to the terms of this Franchise Ordinance and the Cleveland County Code of Ordinances, to collect, transport, recycle and dispose of residential solid waste in Cleveland County. The franchisee shall be required to provide service to residential units in areas with rights to service by Cleveland County.
3. An exclusive franchise is hereby granted to Republic Services of North Carolina, LLC, d/b/a GDS, a North Carolina limited liability company, to collect, transport, recycle and dispose of commercial, industrial, construction and demolition waste in Cleveland County in the areas which the County has a right to grant such franchise.
4. The franchise shall be subject to the Cleveland County Solid Waste Ordinances and any amendments duly adopted by the Cleveland County Board of Commissioners during the term of the franchise. The word "license" or "licenses" or "licensee" shall apply to the "franchise" or "franchises" or "franchisee" as provided in this Ordinance and Chapter 11 of the Cleveland County Code of Ordinances shall be applicable to this Franchise Ordinance.
5. The term of the franchise herein granted shall be from July 1, 2017, to June 30, 2022, unless terminated or revoked as provided by the Cleveland County Code of Ordinances; provided, the Board of Commissioners of Cleveland County, with or without cause, may terminate the franchise at the end of the second, third or fourth years hereunder.
6. Cleveland County reserves, notwithstanding any other provision of this Franchise Ordinance and Agreement, the right to haul, collect, recycle, dispose or transport any solid waste and operate manned and unmanned collection sites for solid waste within the entire County which is subject to the solid waste regulations of the County by North Carolina Statutes or interlocal governmental agreement.

ADOPTED THIS THE 6th DAY OF JUNE 2017.

CLEVELAND COUNTY


Eddie Holbrook, Chairman
CLEVELAND COUNTY BOARD OF COMMISSIONERS

ATTEST:


Phyllis Nowlen, Clerk to the Board
Cleveland County Board of Commissioners

TOWN OF LAWDALE FIRE PROTECTION CONTRACT

Approval of amended fire protection contract with the Town of Lawndale to serve class 10 areas in the County Service District. Amended contract in the amount of \$35,000.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, and unanimously adopted by the Board to ***approve the Town of Lawndale Fire Protections Contract.***

FIRE AND RESCUE SERVICES PROTECTION CONTRACT

THIS FIRE AND RESCUE SERVICES PROTECTION CONTRACT (the "Contract"), made and entered into this ___1___ day of ___July___, 2017 by and between the COUNTY OF CLEVELAND, North Carolina, a political subdivision of the State of North Carolina, hereinafter referred to as the "County"; and LAWDALE VOLUNTEER FIRE DEPARTMENT, INC., A municipal fire department; created under the laws of the State of North Carolina with its principal offices located in Cleveland County, North Carolina, hereinafter referred to as the "Fire Department";

WITNESSETH

WHEREAS, by the Cleveland County Board of Commissioners a Rural Fire District was created to cover areas lacking in fire insurance coverage; This district was named LAWDALE RURAL DISTRICT; and,

WHEREAS, North Carolina General Statutes Section §69-25.5 provides that counties may provide for fire protection in a fire protection district by contracting with an incorporated non-profit volunteer or community fire department; and,

WHEREAS, the FIRE DEPARTMENT is a North Carolina community fire department or a 501 (c)(3) or 501 (c)(4) non-profit corporation organized and authorized to furnish fire protection, rescue to the certification level of the fire department and emergency services authorized by its charter to the citizens of a district; and

WHEREAS, the County desires the Fire Department to provide fire protection services within the District that meet the requirements and standards established by the State Fire Marshal (the "Fire Protection Services"); and,

WHEREAS, the County desires the Fire Department to provide rescue services, as the term "rescue services" is defined in North Carolina General Statutes Section 58-87-5(c) (the "Rescue Services"), within the District.

WHEREAS, the County and the Fire Department have agreed to enter into this Contract for the provision of Fire Protection Services and Rescue Services in said District;

NOW, THEREFORE, it is hereby agreed between the parties as follows;

I. THE SERVICES

The Fire Department agrees to furnish and provide the Fire Protection Services and the Rescue Services, within its capabilities, to all property and locations within the

When providing the Fire Protection Services or the Rescue Services, the Fire Department shall utilize an Incident Command System (ICS) that complies with the National Incident Management System (NIMS) rules and guidelines established by U.S. Department of Homeland Security [see, for example, the Homeland Security Presidential Directive 5]. In accordance with applicable NIMS rules and guidelines, the Fire Department shall assert command and control through its ICS with respect to the provision of the Fire Protection Services and/or the Rescue Services. The County represents and covenants that its emergency response units shall operate in accordance with the NIMS rules and guidelines. In addition, the County shall require all other fire departments and rescue squads with which it contracts to also operate in accordance with NIMS rules and guidelines and to recognize the Fire Department's authority to implement and manage a compliant ICS under NIMS.

III. Insurance

The Fire Department shall obtain and keep in force during the term of this Contract the following minimum insurance coverage, annually providing the County with a certificate of insurance:

- a. Worker's Compensation: Coverage of all volunteer firefighters and employees for statutory limits in compliance with applicable state and federal laws,
- b. Comprehensive General Liability, including Medical Malpractice: Coverage with minimum limits of \$1,000,000.00 per occurrence combined single limit for bodily injury liability and property damage liability.
- c. Business Auto Policy: Coverage with minimum limits of \$1,000,000.00 per occurrence combined single limit for bodily injury liability and property damage liability. This shall include owned vehicles, hired, and non-owned vehicles and employee non-ownership.
- d. Professional Errors, Omissions, Including Officers and Directors: Coverage with minimum limits of \$1,000,000.00 per claim and \$2,000,000.00 aggregate.
- e. Umbrella Liability: Coverage with a minimum limit of \$3,000,000.00 with underlying coverage of auto liability, employee's liability and errors and omissions liability.

The Fire Department agrees to participate within the County Emergency Operations Plan.

The Fire Department agrees to participate within the County Emergency Medical System Plan.

District by dispatching, upon call by the Cleveland County Communications Center, available fire equipment and adequate personnel to operate the same.

The Fire Department shall be primarily responsible for any and all rescue services within the Service District. When available, the County, or the County's rescue services designee(s) or franchisee(s), if any and when available, shall support the Fire Department by providing supplemental rescue services within the Service District to assist in expediting any such rescue. Whenever the Fire Department provides the Rescue Services, the County shall, to the extent allowed by law, extend to the Fire Department the County's rights, privileges, and immunities until the rescue services are completed. The County shall cooperate with the Fire Department, its insurers, or investigators whenever the Fire Department seeks relief through its insurance coverage or right to immunity set forth in North Carolina General Statutes Article 82 of Chapter 58. The Rescue Services expressly do not include any emergency medical services or other medical services.

The County shall have the authority to provide any emergency medical services or other medical services during and/or after any rescue. The County represents and covenants that it, and the County's designee(s) or franchisee(s) are in full compliance, and shall remain in full compliance, with all of the provisions of Chapter 131E, Article 7 of the North Carolina General Statutes and all of the regulations of the North Carolina Department of Human Resources and the North Carolina Medical Care Commission as it relates to the provision of emergency medical services as well as all statutes and regulations applicable to rescue services.

In the event the Fire Department is unable to reliably deliver the services described herein for reasons including, but not limited to, resignation or withdrawal of volunteer, part-time or full-time members of other withdrawal or loss of ability to deliver services, the Fire Department shall immediately so notify the County, at which time the County is authorized, subject to any necessary approvals by the municipality, to use such Fire Department facilities and equipment as are necessary to maintain the delivery of fire protection, rescue to the certification level of the Fire Department and emergency services in the Fire Department's primary service area.

II. FIRE DEPARTMENT OPERATION

The Fire Department represents and covenants that it is properly operating as a North Carolina nonprofit corporation organized to furnish fire protection services and rescue services as authorized by its charter and applicable law. The Fire Department is responsible for and shall supervise its daily operations and have full control over its equipment, personnel, organization and self-government.

IV. PAYMENT

In consideration for provision of the Fire Protection Services and the Rescue Services, the County shall pay to the Fire Department the amount of \$35,000.00 annually beginning July 1, 2017 with the funds to be provided from the County General Fund.

V. TERM

This Contract shall become effective as of July 1, 2017, and shall continue in force and effect for a period of one (1) year and shall automatically renew each year thereafter unless modified by mutual Contract or terminated by either party as provided herein.

VI. TERMINATION

This Contract may be terminated by either party at the end of any fiscal year of the County (that is, June 30 of each year), by the giving of written notice to the other party at least ninety (90) days prior to the end of any such fiscal year.

If the County determines that the Fire Department has failed to render the protection and rescue services to the District as provided in this Contract, then the County shall give the Fire Department ninety (90) days advance written notice that the funds allocated are subject to suspension. If during the said ninety (90) day period, the Fire Department makes improvements satisfactory to the County, no suspension shall occur; however failure to satisfactorily correct the matters complained of during the 90 day period shall result in termination of the contract. During the ninety (90) day period, the Fire Department is not relieved of its responsibility to provide fire protection, rescue to the certification level of the Fire Department, and emergency services consistent with the terms of this Contract.

The Fire Department may terminate this Contract upon ninety (90) days written notice if, at any time, it reasonably determines that the amount appropriated in Section III herein is inadequate for the provision of the Fire Protection Services or the Rescue Services. During the ninety (90) day period, the Fire Department is not relieved of its responsibility to provide fire protection, rescue to the certification level of the Fire Department, and emergency services consistent with the terms of this Contract.

VII. Notices

Notices required under the provisions of this Contract shall be made by Certified mail, return receipt requested or by delivery by a nationally recognized delivery service, to the following parties:

If to County: Cleveland County Manager
PO Box 1210
Shelby, NC 28151
If to Fire Department: Chief of Fire Department
P.O. Box 256
Lawndale, NC 28090

VIII. Indemnity

The fire department shall indemnify and hold harmless the County for any and all liability and expenses including attorney's fees, court costs, and other costs incurred by the County caused by the negligence or willful misconduct of the Fire Department, its agents and employees, up to the insurance limits contained herein.

IX. Minimum Performance Standards

The County and Fire Department agree that it is beneficial to the effective provision of the services identified in this contract to establish minimum performance standards. Furthermore the County and the Fire Department agree that performance standards need to be reviewed annually and updated as needed. The performance measures detailed in Appendix A to this Contract will be reviewed and updated as needed by the parties. Such amendments shall be in writing and signed by all parties.

X. General

The terms and provisions herein contained constitute the entire Contract between the parties and shall supersede all previous communications, representatives, or Contracts, either verbal or written, between the parties hereto with respect to the subject matter hereof. This Contract may not be assigned to any other party by the Fire Department without prior written permission from the County. The Fire Districts which have been established within the County and rated for insurance purposes prior to the execution of this Contract shall not be altered by the provisions of this Contract. This Contract may not be amended except in writing signed by the parties hereto. If any part of this Contract is determined unconstitutional or unenforceable by a court of law,

IN WITNESS WHEREOF, the County, acting pursuant to a Resolution of its Board of Commissioners, has caused this Contract to be executed by its Chairman and Clerk, and the Fire Department, acting pursuant to a Resolution of its Board, has caused this Contract to be executed by its Chief and Secretary, the day and year first above written.

CLEVELAND COUNTY

By: [Signature]
Name: Eddie Holbrook
Its: Cleveland County Commissioner-Ch

Attest: Phyllis Nolen

LAWDALE VOLUNTEER FIRE DEPARTMENT

By: Mayor [Signature]
Name: BICK GARNER
Fire Chief: Phyllis L. Lashon
Its: Chief

Attest: [Signature]

Approved as to Content: This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Andrea Leslie-Fite
Assistant County Attorney

Brian Epley
Finance Director

all other parts shall remain in effect. The section headings in this Contract are for convenience only; they do not form part of this Contract and shall not affect its interpretation.

Failure of the County to enforce any of the provisions of this Contract at any time, or to request performance by the Fire Department pursuant to any of the provisions of this Contract at any time shall in no way be construed as a waiver of such provisions, nor in any way affect the validity of this Contract, or any part thereof, or the right of the County to enforce each and every provision. In the event that there is a disagreement between the parties as to the meaning and/or applicability of any section of this Contract, the County and Fire Department agree to select and share the cost (if any) the services of a certified mediator to mediate the disagreement.

This Contract is not intended to serve for the benefit of any third party. The rights and obligations contained herein belong exclusively to the entities.

The parties agree that North Carolina Courts shall have jurisdiction over this Contract and any controversies arising out of this Contract shall be governed by and construed in accordance with the law of the State of North Carolina.

[Execution Page Follows]

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Appendix A- Performance Measures

Standards of Performance: The Fire Department shall furnish fire protection and emergency services in a professional, efficient, and workmanlike manner, in particular so as to meet the requirements of and comply with the North Carolina Department of Insurance, Insurance Services Office, Inc., and other pertinent federal, state, and county laws, regulations and standards.

1. Staffing

The Fire Department shall 100% of the time, provide 4 personnel to respond to a structure fire related event.

The Fire Department shall 90% of the time, provide 4 personnel to respond to all fire events other than structure fires.

The Fire Department shall 90% of the time, provide 2 personnel to respond to a medical related event.

**NOTE: Staffing levels are concurrent with structure fire response per the NC Response Rating Schedule.

2. Turn Out Time (defined as the amount of time from dispatch to the first responder checking into the route).

Emergency Response Turn Out Time: The Fire Department shall 90% of the time have the first unit responding within 240 seconds of dispatch.

Non-Emergency Response Turn Out time: The Fire Department shall 75% of the time have the first unit responding within 240 seconds of dispatch.

3. Response Time (defined as the amount of time from first responder responding to the first responder to the scene)

To encourage the safe operation of emergency vehicles, response time is not addressed in this Contract.

4. Medical Certification of Personnel

The Fire Department shall have in place a program to ensure the wearing of respiratory protection meets the expectations of the Respiratory Protection Standard, 29 CFR 1910.134.

5. Background Checks

The Fire Department shall have a policy to conduct background checks on members/employees.

6. Fire Investigation

The Fire Department shall attempt to determine the cause and origin of all fires within their respective jurisdiction in conjunction with the Cleveland County Fire Marshal's office.

7. Training

The Fire Department shall have an annual training plan to ensure appropriate training is conducted for new and existing members/employees.

MEMORANDUM OF AGREEMENT WITH CLEVELAND COUNTY SCHOOLS AND CLEVELAND

MEMORIAL LIBRARY

Agreement will provide all Cleveland County School students free access to online library services through their student id number.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, and unanimously adopted by the Board to *approve the Memorandum of Agreement with Cleveland County Schools and Cleveland Memorial Library.*

(copy of agreement found on Pages _____ of Minute Book _____).

SECOND AMENDMENT TO CLEARWATER PAPER AGREEMENT

This Second Amendment to the Economic Development Agreement dated February 13, 2017, between the City of Shelby, Cleveland County and Clearwater Paper Corporation is necessary to approve a revision to the time provided to complete site due diligence by the company.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, and unanimously adopted by the Board to *approve the Second Amendment to Clearwater Paper Agreement.*

(copy of agreement found on Pages _____ of Minute Book _____).

PUBLIC HEARINGS

INCLUSION OF FALLSTON VOLUNTEER FIRE DEPARTMENT SERVICE DISTRICT INTO THE CLEVELAND COUNTY FIRE SERVICE DISTRICT

Chairman Eddie Holbrook called Perry Davis, Emergency Management Director to the podium. Mr. Davis stated, the Fallston Fire District has requested to become part of the County Fire Service District. Resolution adoption is required by General Statute 153A-303. The statute states, the Board of Commissioners may by resolution, annex any territory into a service district. A request was made by the Board of the Fallston Fire Department at a meeting held January 16, 2017.

As part of the Volunteer Fire Service Strategic Plan, each department was given the opportunity to be included into the Cleveland County Service District. Fallston Community Fire Department has elected to participate in the County Fire Service district to enhance their service delivery capabilities in their respective district. North Carolina General Statute 153A-303 requires any municipality that has territory inside a district to adopt a resolution in support of the annexation. Belwood and Fallston are two municipalities that are included in this annexation and on May 2, 2017, both municipalities adopted resolutions in support. The Board of Commissioners is required per NCGS 153A-303 to give public notice to all property owners in the affected district four (4) weeks in advance of the scheduled public hearing and said notices were mailed on April 26, 2017 to all registered property owners in the district. A report, as required, has been available for public inspection in the Clerk's office since April 26, 2017.

Inclusion in the Fire Service District will allow for continued service delivery to the citizens of the Fallston Fire District and surrounding communities and provide a more sustainable income for this fire district. No cons are identified at this time. Inclusion of this district will have no financial impact to the county's general budget.

Chairman Holbrook opened the Public Hearing for anyone wanting to speak for or against the proposal.

Robert Williams, 814 East Stage Coach Trail, Fallston, spoke in opposition. He disagrees with raising of the fire tax from .05 cents to .07 cents. Mr. Williams stated *"Fallston has a pay as you go system. If something was needed, the city would raise the money and pay cash, therefore Fallston has zero debt."* Mr. Williams' opinion is to let Fallston raise the taxes in their municipality a few cents and let them remain independent. He feels we need to encourage organizations that have zero debt to keep that practice. He feels nothing needs to be changed within Fallston and to let the Fire Department remain as independent as possible.

Daniel Tysinger, Fallston Fire Department Chief, stated he supported the annexation. He advised this has been a long process and was thankful to the Board and County Manager Jeff Richardson for all the hard work they have put in to make this inclusion happen. Mr. Tysinger advised they are happy to be going into this district service and his Board of Directors are unanimously in favor of joining the Fire Service District. Mr. Tysinger also thanked Perry Davis and Fire Chief Gordan for their efforts and hard work in making this possible. He concluded advising Fallston Fire Department is 100% in agreeance of this.

Hearing no further comments, Chairman Holbrook closed the Public Hearing.

Commissioner Hutchins asked Perry Davis to clarify for the Board, if there will be any changes with the operation of the Fallston Volunteer Fire Department if the proposal is approved. Commissioner Hutchins also wanted clarification regarding the Fire Department's Board and money stating *"the County has no control over the Fire Department's daily operation, its Board and how the money is used. They can use the money as they see fit"* Mr. Davis confirmed this was all correct. There will not be any changes to the Fallston Fire Department, they will remain independent. Commissioner Whetstine asked if the community was behind the proposal. Mr. Davis answered they were and signed a resolution.

ACTION: Commissioner Falls made a motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board *to adopt the resolution approving the inclusion of Fallston Volunteer Fire Department into the Cleveland County Fire Service District.*



FY 2017 – 2018 County Manager’s Recommended Budget

Chairman Eddie Holbrook recognized County Manager Jeff Richardson to present the “*Manager’s Recommended Budget FY 2017 – 2018.*”



Mr. Richardson reminded the public and the Board, at the last meeting, several staff members gave presentations and the recommended budget was reviewed in great depth. The Board set priorities and prioritized what was most important this coming fiscal year. The budget is balanced at .57 cents with no tax rate increase. No tax rate increase was contemplated for Cleveland County Schools. The County Manager recommend \$50 per inspection trip charge for trip recoupment fee for commercial solar farms. He also recommended implementing Phase Two of the Solid Waste Long Range Plan which includes a 15% rate increase.

Chairman Holbrook opened the floor to the Board for questions. Commissioner Falls had several clarification questions. The first question is regarding Commercial Solar Farms. Those average of one or two projects per year. Without the \$50 recoupment fee, would the general taxes collected by the public would go to supplement those projects? Mr. Richardson replied this was correct. “*Mr. Ezell has studied his revenue streams in his department and the general funds subsidy; it’s not unusual to make 20 – 60 trips for inspection purposes on a typical commercial solar farm.*” Mr. Richardson reminded the Board “*Under North Carolina General Statutes,*

once operational, are given a generous tax credit back and have a shelf life where the tax rate falls very quickly over a 10-year period. With 20 – 60 trips, there is a heavy general fund subsidiary to get the farms up and running. This is simply a trip recoupment fee and an equity issue. It could be a good pilot year if the Board chooses to pass this and we would be able to report next budget year of the pro or con of how this is going.”

Commissioner Hutchins asked Mr. Richardson to go into further detail regarding the salary increase for the county employees in the budget. Mr. Richardson stated, *“there is a pay range adjustment and an employee increase of a combined 3% for all county employees if the Board chooses to pass the budget tonight.”* He explained there is a cost of living index of about 1.7% in the region. *“It’s important to keep pace with inflation in neighboring communities. It is also recognizing we will hear soon from the pay class study.”*

Chairman Holbrook opened the Public Hearing for anyone wanting to speak for or against the recommended budget. No citizen chose to speak. Chairman Holbrook closed the Public Hearing.

Chairman Holbrook announced the Board would be taking three separate votes with regards to the FY 2017-2018 Budget – Solid Waste Tipping Fee, Solar Farm Permit Fees, FY 2017-2018 Budget.

SOLID WASTE TIPPING FEE

Before taking action to increase the Solid Waste Tipping Fees, Commissioner Hutchins reminded the Board *“looking back at the 2010 schedule fee for the landfill itself and looking at the solid waste plan for multiyear scheduling, the tipping fee covers closing the landfill, building a new land fill, it also supports the landfills daily operation and new equipment. It’s an enterprise system, it doesn’t function off tax dollars, it supports itself.”* He explained every year that the county puts off increasing the tipping fees, it puts the county \$500,000 in the hole regarding the landfill. Commissioner Hutchins went on saying, if something isn’t done soon, the county may need to rely on tax dollars to offset costs at the landfill. He recommended following the plan that was initiated in 2010.

Commissioner Allen reiterated Commissioner Hutchins comments regarding the long-term plan and fees for the landfill. She also emphasized the money for the landfill is not coming from tax payer dollars, it is coming from the fees itself when the landfill is used. Commissioner Whetstine clarified for his understanding, the long-term fee schedule began in 2010. The Commissioners in 2013 followed the plan and raised the fees. This Board is following the phase increase plan that was set out then. Mr. Richardson verified this was correct. Commissioner Falls stated they have worked hard to keep fees low and tax rate low for the residents of Cleveland County. He knows this was passed in 2013 for a long range multiyear plan but it is up to the individual Boards each year to approve or deny an increase for the residents in the county. Commissioner Falls does not think this is a good time to ask for an increase from the people of Cleveland County. He has seen the staff do an extraordinary job to balance the budget without raising taxes in the past even after the \$1.6 million hit they received last year and asks the Board not to raise the fees.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Allen, and passed 4 to 1, *to approve the increase to the Solid Waste Tipping Fee. (Note: Commissioner Falls voted against).*

SOLAR FARM PERMIT FEES

Commissioner Falls articulated the commercial solar panel farm(s) inspections are costing the tax payers money. He also stated for further clarification the \$50 fee isn't an increase, this is simply a recoupment to be fair to everyone else. Chairman Holbrook advised that was correct.

ACTION: Commissioner Falls made a motion, seconded by Commissioner Hutchins, unanimously adopted by the Board *to approve the \$50 per trip inspection charge for Commercial Solar Farms.*

FY 2017-2018 RECOMMENDED BUDGET

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Falls, unanimously adopted by the Board *to approve the FY 2017 – 2018 recommended budget.*

**Cleveland County
Manager's Budget Message
Fiscal Year 2017-2018**



County Commissioners

Eddie Holbrook, Chair
Susan Allen, Vice-Chair
Jason Falls
Johnny Hutchins
Ronnie Whetstine



Prepared by:
County Manager
Jeff Richardson
Finance Director
Brian Epley

May 26, 2017

To the Cleveland County Board of Commissioners:

It is my privilege to present the proposed fiscal year 2017-2018 budget for Cleveland County, North Carolina. The budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act and General Statute 153A-82. The budget was developed under the guidance of the strategic goals and priorities set by the Cleveland County Board of County Commissioners at their work session on January 30, 2017. The goals provide the foundation upon which the budget is built.

GENERAL FUND BUDGET

This budget is balanced with a flat property tax rate of 57 cents per \$100 of property valuation. In 2016, Cleveland County completed a mandatory revaluation of all real property for the first time in eight years. Cleveland County continues to recover from the 3.6% net decrease in assessed value due to the revaluation. The budget includes a marginal tax base growth in real property which will generate approximately \$725,000. I have budgeted a tax collection rate of 98%.

Cleveland County has experienced substantial growth in sales tax revenue over the past several years primarily due to state legislation changes in what items and services are taxed, continued Economic Development Industry growth, and a continued uptick in retail sales activity. In the proposed 2017-2018 budget, sales tax distributions will be budgeted at a more steady growth rate of 2% (\$200,000).

This year's budget includes a 10% increase in occupancy tax. Cleveland County is continuing to grow its reputation be seen as a destination location with venues such as the Earl Scruggs Center, Don Gibson Theater, Legrand Center and Foothills Public Shooting Complex, and events like the American Legion World Series.

Also, included in this year's budget is a \$100,000 increase in investment income. The Finance Department has developed a team to review the county's investments on a monthly basis. Creation of this Investment Team along with more favorable investment rates has proved to be extremely beneficial to Cleveland County's financial portfolio.

VOLUNTEER FIRE SERVICE DISTRICTS

A top priority for County Commissioners continues to be, "**Maintain Support for County Volunteer Fire Departments and explore additional ways to increase county assistance.**" In FY 15-16, a Cleveland County Fire Strategic Plan was completed, led by the NC Office of State Fire Marshall. Eighteen recommendations were identified. Over the last year, County staff has worked with the County Fire Service District to review and prioritize the recommendations from the Strategic Plan. The following recommendations will be addressed in this year's budget:

Funding of Fire Protection Services: At \$.05 Cleveland County's fire tax rate is lower than adjoining counties. This year's budget includes a 3.75 cent tax increase for County Fire Service Districts which was approved by the board at your May 2nd meeting. The primary impact of this increase will be for all departments to provide paid personnel at the departments during weekdays, when the vast majority of volunteers are away supporting their families.

Consolidated District- Fallston Fire Department has requested to join the County Fire Service District. If approved, the County Fire Service District will become a ten member district. The remaining two Fire Districts (Lattimore, Rippy) will remain as their own taxing district. In order to implement the paid staffing model, they are also requesting the 3.75 cent fire tax increase.

PERMIT FEES

The fiscal year 2017-18 includes revenues of fees and charges in three areas of note:

- (1) **Building Inspection** permit fees have not been increased in Cleveland County since 2008. In the annual review of inspection fees, it came to my attention that the permits being issued for Solar Farm Development in Cleveland County were substantially less than the cost incurred by County staff and not in line with current market costs. I am suggesting a modified billing model specific to Solar Farms. The recommendation is as follows:

Commercial: \$50 per trip

(2) The **Solid Waste** fee schedule was presented in January, 2013, as part of the 10-year Solid Waste Management Plan. In the FY 13-14 budget, Commissioners approved the implementation of the recommended multi-year fee schedule. Phase I was implemented in FY 13-14 and phase II is included in the FY 17-18 recommended budget. The FY 17-18 Solid Waste fee schedule is found below:

| Current Household Fees | 12% Increase in FY 17-18 | |
|-----------------------------------|---------------------------------|----------|
| | \$10.42 | |
| | \$20.83 | |
| | \$34.72 | |
| | \$69.44 | |
| Current Tipping Fees | 15% Increase in FY 17-18 | |
| Solid Waste | \$41.00/Ton + \$2.00 Tax | \$43.00 |
| C & D | \$22.48/Ton + \$2.00 Tax | \$24.48 |
| Wooden Pallets | | \$25.13 |
| Fiberglass | \$17.00/Ton + \$2.00 Tax | \$19.00 |
| Sludge/Alum Sludge | \$41.00/Ton + \$2.00 Sludge Fee | \$43.00 |
| SLUDGE FEE | \$2.00 per ton | \$2.00 |
| Mobile Homes | | \$264.50 |
| Yard Waste/Leaves | | \$19.84 |
| Mulch | | \$10.00 |
| Stumps | | \$25.13 |
| Friable Asbestos | \$41.00/Ton + \$2.00 Tax | \$43.00 |
| Surcharge/Asbestos | | \$150.00 |
| Non-Friable Asbestos (Solid) | \$22.48/Ton + \$2.00 Tax | \$24.48 |
| Dead Animals | | \$1.32 |
| Fowl | | \$41.00 |
| Livestock | | \$6.61 |
| Tires (Normal Course of Business) | | \$0.00 |
| Non-Documented Tires | | \$132.25 |

(3) The **Foothills Public Shooting Complex** of Cleveland County opened in April, 2016. Currently under construction is a pavilion which will be used by visitors for hosting of events at the complex. While the first year of operation has been very successful, it has given the operational staff time to learn the intricacies of the complex and determine fair usage rates. Included as part of this year's budget are several fees changes related to facility rentals. The recommended fees are below:

- Bay Rental \$75.00/hour
- Pavilion \$25.00/hour
- Concession 10% of Sales
- Indoor/Outdoor Training Facilities \$25.00/hour
- Range Safety Officers \$30.00/hour

PUBLIC SCHOOLS

The County Schools tax rate will remain at 15 cents per \$100 of property valuation. The county allocation to Cleveland County Schools totals \$28,383,000. The per-pupil funding for FY 17-18 includes a minor increase to \$1,923. Capital outlay will remain at \$2,850,000. Included in this year's budget is a marginal increase in the Local Operational Appropriation. The increase in local operational allocation will be used for the creation of a Machining/Robotics Dual Tract Program at Cleveland County Early College High School.

| | |
|---|----------------------|
| Property Tax Revenue (15 cent tax rate) | \$ 11,733,000 |
| Sales Tax Revenue | \$ 3,700,000 |
| Local Operational Appropriation | \$ 10,100,000 |
| Local Capital Appropriation | \$ 1,400,000 |
| Sales Tax Capital Appropriation | \$ 1,450,000 |
| Total | \$ 28,383,000 |



COMMISSIONERS STRATEGIC GOALS

During the budget process, resources were allocated based on the vision of the Board through the County Commissioners Strategic Goals and Focus Areas. The strategic goals are broken down under four focus areas; Economic Development, Public Safety, Community Education & Customer Service Outreach, and Fiscal Sustainability.

FOCUS AREA: COMMUNITY EDUCATION AND CUSTOMER SERVICE OUTREACH

“Work with the Board of Health to determine ways of improving the overall health of our community”. According to the Robert Wood Johnson Foundation, Cleveland County has historically ranked in the bottom 20th percent of all North Carolina counties in overall community health. In 2016, Cleveland County along with Partners Behavioral Health and

Cleveland County Schools began an initiative, Partnering for Community Prosperity, to review how social determinants have an effect on community health in Cleveland County. The Partnering for Community Prosperity program focuses on West Shelby and the Graham School community, which is an area of high poverty and unemployment.

As part of the FY 17-18 budget planning the Board identified the community health rankings as a strategic goal priority. During that meeting and a subsequent meeting, Commissioners asked staff to develop some recommendations of how Cleveland County could assist the Partnering for Community Prosperity program to help improve our health ranking. Included in this year's budget is a three-year pilot program to include: On-site nutrition counseling and on-site telemedicine at Graham School and a dedicated free transportation route for West Shelby. The total project cost is estimated at \$100,000. Cleveland County has secured \$50,000 in funding and continues to work toward finding an additional \$50,000 in grant funding for this project. This three-year program emphasizes community collaboration and partnerships to include our local hospital and Transportation Authority.

“Continue to study availability of youth programs to include life coaching, career assistance and healthy lifestyle education to provide opportunities for youth to become successful, productive adults”. Commissioners are committed to providing youth programs and recreational opportunities for the children of Cleveland County. Included in this year's budget is a \$60,000 allocation for renovations to the Polkville Park, which serves the citizens of Upper Cleveland County. Also included in the budget are three recreation grants- the Town of Polkville, the Town of Boiling Springs and the City of Shelby. Funding for these grants will be allocated from the Behavioral Health Fund Balance. Grants are to be used to build ADA accessible playgrounds in these communities.

FOCUS AREA: PUBLIC SAFETY

“Encourage Animal Control to find alternative ways of reducing unwanted births of animals”. In 2016, Cleveland County Animal Control worked with Target Zero, a national organization specializing in animal welfare, to review the Animal Shelter policies and provide Best Practice recommendations in an effort work towards a goal of creating a no-kill shelter in Cleveland County. Included in the FY 17-18 recommended budget is a budgeted allocation up to \$175,000 to allow the Cleveland County Public Health Center to partner with a local non-profit organization that would operate the County's first low cost spay neuter clinic. As part of this project, I am also recommending a 24-month moratorium on the Animal Control Licensing/Registration Fee program, which Commissioners approved last year to begin in July, 2017.

FOCUS AREA: ECONOMIC DEVELOPMENT

Cleveland County continues to see the importance of Economic Development and the recruitment and retention of industry in Cleveland County. Cleveland County will be extremely busy over the next year with the build out of the Washburn Switch Industrial Park in preparation for the \$330 Million expansion of Clearwater Paper.

Workforce Development has become a concern of existing industries throughout Cleveland County over the last two years. Through the Cleveland County Economic Development Partnership, Cleveland County will continue to intensify its focus on workforce development efforts. Included in this years budget is a continued \$225,000 allocation for workforce development as well as \$45,000 in grants for students to attend the Machining/Robotics programs at Cleveland Community College. Staff will continue to emphasize marketing of these career opportunities with creative approached through ongoing discussions with our community college.

FOCUS AREA: FISCAL SUSTAINABILITY

When I began with Cleveland County in 2013, the County's fund balance was 14.6%. It has been a continued goal of the County Commissioners to increase the County's Fund Balance to between 18-20%. Cleveland County's fund balance percentage will continue to show positive growth and is projected to be approximately 18.4% going into the FY 17-18 budget year.

Commissioners continue to make the employees of Cleveland County a high priority. The Strategic Goals for FY 17-18 include, **“Review the Pay and Classification Study to determine the best option to create a sustainable Cleveland County Employee Pay Plan.”**

Upon completion, expected in the first quarter of the fiscal year, the pay and classification study will be reviewed by Commissioners and a strategy for affordable implementation will be identified.

I am pleased that this budget includes the following pay consideration for all county employees, effective July 1st:

- CPI Inflation Adjustment (1.7%)
- 1.3 % COLA

Employee benefit enhancements include:

- Creation of a voluntary case management program for county employees to assist with control of chronic illness. Approximately 175 employees have signed up for this individualized coaching.
- At your work session in January, you approved to continue the corporate wellness partnership with the YMCA, which affords employees heavy discounted memberships and also manages the County's Diabetes Prevention Program.

COUNTY DEPARTMENT OPERATIONS HIGHLIGHTS

After three consecutive years of an overall decrease in county funding in the **Department of Social Services**, the FY 17-18 budget includes a flat operational subsidy. Included in this year's budget is one additional FTE in the Child Protective Services division due to the heavy caseload among social workers in this area. The cost for this position is shared with the State of North Carolina.

The **Public Health Center** budget reflects a total county appropriation of \$3,166,215. Cleveland County has been able to lower the local subsidy, for the second year in a row, to the Public Health Center by the increasing indirect cost reimbursement and by a Medicaid cost settlement fund balance drawdown.

The **Emergency Medical Services (EMS) Department** budget for FY 17-18 is \$6,542,871. In the FY 16-17 budget year, Cleveland County created a Central Collections Division to manage EMS billing internally. The Central Collections division began operating mid-year. In FY 17-18, staff will monitor the success of this program and report back to the Board. The purchase of two ambulances is included in the FY 17-18 budget.

The **Sheriff's Office** budget reflects a total appropriation of \$13,348,918, which represents a 7.3% increase over last year. Included in this budget is the addition of 14 new Sheriff's vehicles to replace current high mileage vehicles. Late in FY 16-



17, Cleveland County added four officers in the Detention Center to better align the officer to inmate ratio with peer counties. The first years cost of the addition of these officers will be included in the FY 17-18 budget. Also included in the Sheriff's Office budget is an additional vehicle in the Detention Center to be used for prisoner transport as well as several equipment allocations including: year two of a lease for body camera's and tasers and upgraded security equipment and x-ray machines for the courthouse. Lastly, new AV equipment will be purchased and used for video conferencing between the jail and the courthouse.

The **911 Communications Center** has partnered with the City of Shelby, through a Memorandum of Understanding, for the Shelby Communications Center to be used as a back-up site should the primary 911 location require evacuation or experience an event that disables the call center. Included in this budget is year one of a three year lease for new E-911 equipment (\$113,659). This equipment will be placed in the county's 911 Communications Center as well as used at the backup Primary Service Answering Point (PSAP) location. This project will be paid for with State 911 dollars.

As technology continues to play a vital role in the operations of County Government, Cleveland County is continuing to see the need for additional **Information Technology** support. Included in this year's budget is one additional position in Information Technology. This position will focus on the technology needs in the area of Public Safety, with a heavy emphasis on officer body camera maintenance and operations.

The **Human Resources Department** continues to work to support an atmosphere that promotes Employee Wellness. Across the country, employers are seeing an average of 11% rate increases for Health Insurance. Included in the budget is a modest 4.8% increase in the County's self-insured health fund. This remarkably low rate increase is due, in part, to the commitment of our employees to wellness through programs such as health coaching, pre-diabetes classes, nutrition counseling and ongoing exercise programs such as the Cleveland Cup.

Capital Projects

This budget addresses several capital projects which are in addition to those included in the Strategic Goals. These projects are summarized as follows:

- Airport Partnership- Cleveland County will continue the successful partnership with the City of Shelby by earmarking \$50,000 in the budget for capital projects needed at the airport.
- In the budget, I have included \$665,000 for future capital projects. This allocation is the third year of a multi-year approach to put the county in a better financial position to complete several capital projects in the near future. Some of the capital projects that will be completed in this year's budget include: wiring for the Law Enforcement Center, the addition of a pavilion at the Foothills Public Shooting Complex and roof upgrades to the Law Enforcement Center and DSS.

Conclusion

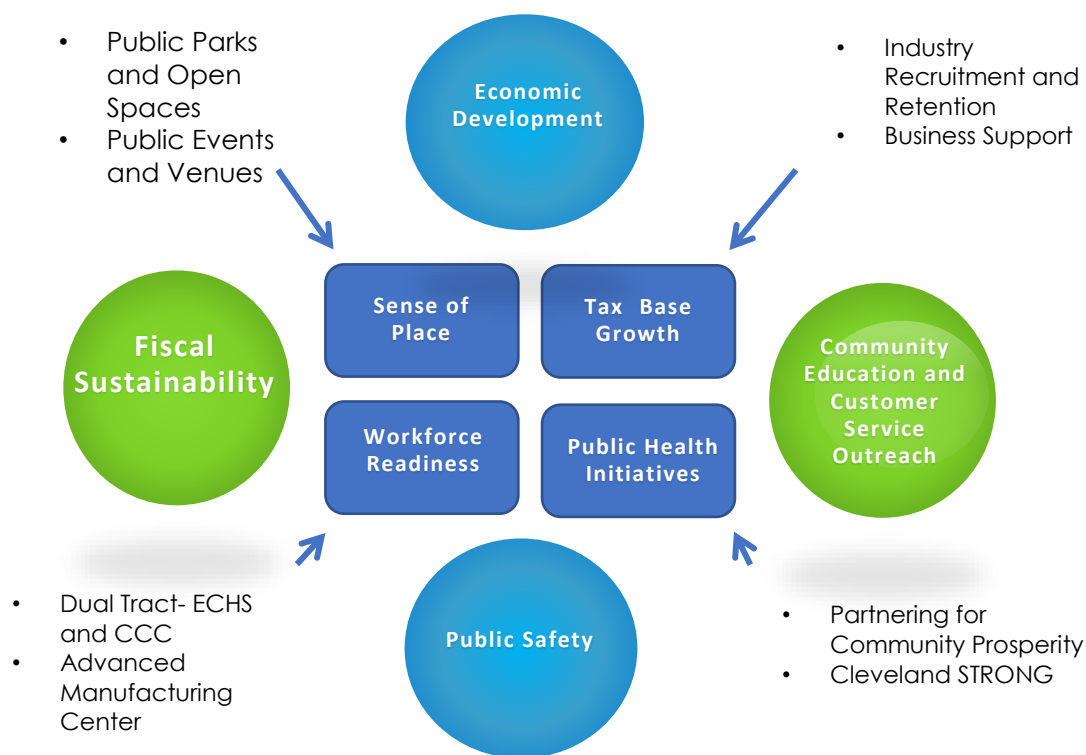
I would like to conclude by focusing on three areas that drive our organization's success:

- Emphasis of Strategic Planning
- Commitment to High Performance Organizational (HPO) management principles
- Continued development of our organizational culture, Cleveland **STRONG**.

Strategic Planning:

The Cleveland County Commissioners, with the assistance of senior staff, do an admirable job each January of investing time to jointly identify its most pressing goals for the coming budget year. This past January was no exception. With the help of outside professionals from the Association of County Commissioners, the Board dedicated time to explore key areas of county spending, coupled with peer county performance metrics, in order to identify areas of concern and improvement for the coming year. The Board's key areas of emphasis, under the focus areas (Fiscal Sustainability, Economic Development, Community Education and Customer Service Outreach and Public Safety) were identified as:

- Continued emphasis of strategic tax base growth with industry and business support.
- Continued collaborative effort in all areas of the County to invest in recreation and public events emphasizing Cleveland County's sense of place.
- Continued collaborative effort in workforce readiness investment to better prepare our county for today's available jobs and those jobs of the future.
- Heightened intensity and creativity to improve the health of the county's citizens through Public Health Initiatives.



High Performance Management:

As I approach the end of my fourth budget, I am extremely satisfied with the organization's overall progress to date. Dedicated effort and priority from our staff in the Finance Department has yielded significant operational re-engineering savings over the past two budgets, which total \$1,120,000 respectfully. For the third year in a row, as part of the budget balancing strategy, staff has identified re-engineering savings of over one-half million in recurring savings to the County (\$544,000 projected in FY 17-18). Senior staff across all departments has seen our re-engineering practices and realize that continuous improvement is becoming an imbedded part of our budgetary process. Further, staff understands that without these manufactured savings, there is no way for our organization to financially support the multitude of projects, along with the personnel investment that we have achieved since 2014. These high performance organizational principles are being tied to the Cleveland County Strategic Plan in an effort to maximize return on investment and as result, helping to improving the overall quality of life for all citizens of Cleveland County.

Cleveland STRONG

Cleveland **STRONG** has continued to evolve from its early days of representing our County's Wellness Initiatives as the Wellness "tag line", to representing our County's Organizational Culture. **S**ervice, **T**eamwork, **R**espect, **O**pportunity, **N**etworking, and **G**etting healthy. This journey continues to yield benefits for our organization and the citizens we serve. Our infrastructure and community project investments have helped to raise the community's sense of pride and reignite an energy that makes us all wonder how good we can be. That said, most of what we do and most of what we dream cannot be done without a well-trained and highly motivated work force. Our **STRONG** culture is still a work in progress at every level of the organization; the organizational culture development work is extremely hard but extremely rewarding long-term. We strive to be an employer of choice for the region and I truly appreciate the continued support and commitment of this Board of Commission.

In closing, I would like to personally thank the administrative staff and senior leadership team for their tremendous commitment to our strategic planning, high performance management, and continued commitment to the Cleveland

STRONG work culture. Our administration is small but nimble and produces consistently high quality work. Our past year's accomplishments would not have been realized without this team's devotion and commitment to excellent public service.

Respectfully Submitted,



Jeffrey B. Richardson
County Manager

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF CLEVELAND COUNTY:

SECTION I. FUND ESTIMATED REVENUES. It is estimated that the revenues and fund balances of the funds and departments as listed below will be available during the fiscal year beginning July 1, 2017 and ending June 30, 2018 to meet the functional appropriations as set forth in Section II. All fees, commissions, and other sums paid to or collected by any County Officer, or agent in their capacity, shall accrue to the benefit of the County and become County funds.

| | | | | | |
|---------------------------|--|----|--------------|----|--------------------|
| | | \$ | 145,065,429 | | |
| | | | (16,050,610) | \$ | <u>129,014,819</u> |
| | | | | | |
| <u>Primary</u> | | \$ | 75,439,671 | | |
| | | | (1,845,425) | \$ | 73,594,246 |
| | | | | | |
| <u>Ad Valorem Tax:</u> | Current Year | | | | |
| | (57.0 Cents per \$100 value) X (\$7,048,048,617 total value) | | | | |
| | X (97.5% collection) | \$ | 47,537,145 | | |
| | Prior Years | | 655,000 | | |
| | Advertising/Penalties | | 367,500 | | |
| | | | | | |
| <u>Other Taxes:</u> | Sales Tax | | | | |
| | 1 Cent (Article 39) | | 6,563,085 | | |
| | Two 1/2 Cents (Art 40 & 42) | | 4,752,579 | | |
| | Occupancy Tax | | 350,000 | | |
| | Heavy Equip Tax | | 23,500 | | |
| | Vehicle Lease Tax | | 50,000 | | |
| | Excise Stamps Tax | | 215,000 | | |
| | | | | | |
| <u>Intergovernmental:</u> | US Grant-Emergency Management | | 20,000 | | |
| | US Grant-Council on Aging | | 361,500 | | |
| | NC Telecommunications Surcharge | | 290,000 | | |
| | NC Grants-Third Party (Pass-Thru) | | 192,186 | | |
| | NC Grant-J.C.P.C. Admin. | | 1,689 | | |
| | NC Court Arrest Fees-Sheriff | | 35,000 | | |
| | NC Forfeited Property-Sheriff | | 25,000 | | |
| | NC Housing of State Prisoners-Jail | | 185,000 | | |
| | NC Housing Inmate - SSA | | 15,000 | | |
| | NC Court Fees-Jail | | 75,000 | | |
| | NC License Revocation-Jail | | 8,000 | | |
| | NC DOT Grant (Pass-Thru to TACC) | | 175,000 | | |
| | NC Grant-Soil Conservation Match | | 25,600 | | |
| | NC Grant-Veterans' Services Match | | - | | |
| | NC Grant-State Aid to Libraries | | 140,000 | | |
| | Kings Mtn: County Library System | | 8,738 | | |
| | JCPC Grant-Cleveland County Schools (Pass Thru) | | 45,000 | | |
| | JCPC Grant-Communities in Schools (Pass Thru) | | 72,016 | | |
| | Schools: School Resource Officers | | 353,642 | | |
| | Shelby: Payment in Lieu of Taxes | | 11,000 | | |
| | Other Various Sources | | 18,800 | | |
| | | | | | |
| <u>Permits/Fees:</u> | Register of Deeds | | 397,000 | | |
| | Sheriff | | 251,100 | | |
| | Inspections | | 210,000 | | |
| | Planning & Zoning | | 19,100 | | |
| | | | | | |
| <u>Sales/Services:</u> | Rents | | 3,193,392 | | |
| | Contracted Revenues | | 100,000 | | |
| | Municipal Tax Collection | | 300,000 | | |
| | Municipal Elections | | 65,000 | | |
| | | | | | |
| <u>Sales/Services:</u> | Local Fees & Medicaid | | | | |
| | Emergency Med Serv | | 3,605,392 | | |
| | Volunteer Rescue | | 14,000 | | |
| | Electronic Maintenance | | 12,000 | | |
| | Cooperative Extension | | 26,750 | | |
| | County Library System | | 30,000 | | |
| | Public Firing Range | | 175,000 | | |

| | | |
|-----------------------|--|-----------|
| <u>Interest:</u> | Interest on Investments | 250,000 |
| <u>Miscellaneous:</u> | ABC Per Bottle & Profit Distribution | 75,000 |
| | Sale of Used Assets | 29,500 |
| | Vending/Payphone Commissions | 100,000 |
| | Contributions & Donations (Library) | 50,000 |
| | Other Miscellaneous | 163,800 |
| <u>Other Sources:</u> | School Capital Reserve Fund (Transfer) | 1,450,000 |
| | Emergency Telephone Fund (Transfer) | 85,000 |
| | ROD Automation E & P | 72,338 |
| | Social Service Fund (Transfer) | 70,844 |
| | Health Dept Fund (Transfer) | 121,447 |
| | S/W Landfill Fund (Transfer) | 118,134 |
| | Fund Balance Appropriated | 1,881,894 |

Social Services & Public Assistance

| | | | |
|--------------------------------|---------------------------|-------------------|------------|
| | Less Transfers In: | 25,182,918 | |
| Grants-Federal and State Govts | 17,324,122 | (7,809,904) | 17,373,014 |
| Local Fees | 48,892 | | |
| Primary Fund (Transfer) | 7,809,904 | | |

Public Health

| | | | |
|--------------------------------|---------------------------|-------------------|-------------------|
| | Less Transfers In: | 15,348,824 | 11,827,919 |
| Grants-Federal and State Govts | 2,024,659 | (3,520,905) | |
| Local Fees & Medicaid | 6,606,612 | | |
| Primary Fund (Transfer) | 3,166,215 | | |
| Other Funds (Transfer) | 354,690 | | |
| Fund Balance Appropriated | 2,446,648 | | |
| Mental Health Appropriation | 750,000 | | |

Employee Wellness

| | | | |
|----------------------------------|---------------------------|------------------|----------------|
| | Less Transfers In: | 1,145,565 | 103,000 |
| Local Fees | 103,000 | (1,042,565) | |
| Health Insurance Fund (Transfer) | 1,042,565 | | |

Court Facilities

| | | | |
|-------------------------|---------------------------|----------------|----------------|
| | Less Transfers In: | 405,764 | 144,000 |
| Departmental Fees | 144,000 | (261,764) | |
| Primary Fund (Transfer) | 261,764 | | |

School Property Taxes

| | | | |
|---|------------|-------------------|-------------------|
| Ad Valorem Tax: Current Year | 12,607,986 | 16,363,046 | 16,363,046 |
| (15.0 Cents per \$100 value) X (\$7,930,434,275 total value) X (97% collection) | | | |
| Ad Valorem Tax: Prior Year | - | | |
| Interest on Delinquent Tax | 55,000 | | |
| Settlement Overs/Shorts | 60 | | |
| <u>Other Taxes:</u> Sales Tax | 3,700,000 | | |

LeGrand Conference Center

| | | | |
|-------------------------|---------------------------|------------------|----------------|
| | Less Transfers In: | 1,162,961 | 742,000 |
| Fees, Beverage Sales | 742,000 | (420,961) | |
| Primary Fund (Transfer) | 420,961 | | |

Workers' Compensation / Property & Liability Insurance

| | | | |
|---------------------------------|---------------------------|------------------|----------------|
| | Less Transfers In: | 1,274,586 | 125,500 |
| Interest on Investments/Other | 125,500 | (1,149,086) | |
| Primary Fund (Transfer) | 734,285 | | |
| Social Services Fund (Transfer) | 117,600 | | |
| Other Funds (Transfer) | 297,201 | | |

Health / Dental Insurance

| | | | |
|-----------------------------|---------------------------|------------------|------------------|
| | Less Transfers In: | 8,742,093 | 8,692,093 |
| Fund Balance Appropriated | 544,093 | (50,000) | |
| Health Dept Fund (Transfer) | 50,000 | | |
| Dental Premiums | 210,000 | | |
| Health Premiums | 7,938,000 | | |

| | | | |
|--|---------------------------|--------------------|---------------------|
| <u>B. SPECIAL REVENUE FUND ESTIMATED REVENUES</u> | | 4,219,200 | \$ 4,219,200 |
| | Less Transfers In: | - | |
| <u>Emergency Telephone</u> | | | |
| E911 Subscriber Fees | 391,230 | 465,680 | 465,680 |
| Other Revenues | - | | |
| Fund Balance Appropriated | 74,450 | | |
| <u>County Fire Service District</u> | | | |
| Ad Valorem Tax: Current Year (5.0 Cents per \$100 value) X (\$3,260,000,000 total value) X (97% collection) | 3,081,260 | 3,753,520 | 3,753,520 |
| Ad Valorem Tax: Prior Years | 54,503 | | |
| Other Revenues | 617,757 | | |
| Fund Balance Appropriated | - | | |
| <u>Community Development</u> | | | |
| | Less Transfers In: | - | - |
| Primary Fund (Transfer) | - | | |
| <u>C. DEBT SERVICE FUND ESTIMATED REVENUES</u> | | 8,029,651 | \$ 1,267,600 |
| | Less Transfers In: | (6,762,051) | |
| <u>Debt Service</u> | | | |
| Other Revenues - Federal | 708,020 | | |
| Other Unit's Share of Expenditures | 559,580 | | |
| Primary Fund (Transfer) | 2,740,393 | | |
| School Capital Reserve Fund (Transfer) - PSCBF | 1,600,000 | | |
| Economic Development Capital Reserve (Transfer) | 737,600 | | |
| School Capital Reserve Fund (Transfer) | 1,684,058 | | |
| <u>D. CAPITAL PROJECT FUND ESTIMATED REVENUES</u> | | 11,037,324 | \$ 5,971,058 |
| | Less Transfers In: | (5,066,266) | |
| <u>Capital Projects</u> | | | |
| | Less Transfers In: | 2,250,633 | - |
| Capital Reserve Fund (Transfer) | 2,250,633 | (2,250,633) | |
| <u>County Capital Reserve</u> | | | |
| | Less Transfers In: | 2,915,633 | 100,000 |
| County Funds/County Reserve (Transfer) | 2,815,633 | (2,815,633) | |
| Local Revenues | 100,000 | | |
| Fund Balance Appropriated | - | | |
| <u>School Capital Reserve</u> | | | |
| Sales Tax: Two 1/2 Cents (Art. 40 & 42) | 3,134,058 | 4,734,058 | 4,734,058 |
| Grants-Public School Bldg. Cap. Fds. | 1,600,000 | | |
| <u>Economic Development Reserve</u> | | | |
| Local Revenues | 100,000 | 1,137,000 | 1,137,000 |
| Fund Balance Appropriated | 1,037,000 | | |
| <u>E. ENTERPRISE FUND ESTIMATED REVENUES</u> | | 8,445,241 | \$ 8,445,241 |
| | Less Transfers In: | - | |
| <u>Solid Waste Landfill</u> | | | |
| | Less Transfers In: | 8,445,241 | 8,445,241 |
| Grants and Shared Taxes-State Govt | 543,317 | | |
| Local Fees and User Fees | 6,655,854 | | |
| Sale of Recyclables/Other | 77,470 | | |
| Primary Fund (Transfer) | - | | |
| Capital Projects | 1,168,600 | | |
| Fund Balance Appropriated | - | | |
| <u>SECTION I TOTAL (TOTAL FUND ESTIMATED REVENUES)</u> | | 176,796,844 | |
| | Less Transfers In: | (27,928,927) | 148,867,918 |

SECTION II. FUND APPROPRIATIONS. It is hereby affirmed that the appropriations of the funds and departments as listed below will be sufficient to meet the County's normal operating obligations.

| | | | |
|---|--|--------------------|-------------------|
| <u>A. GENERAL FUND APPROPRIATIONS</u> | | 145,065,429 | |
| | Less Transfers Out: | (19,691,301) | 125,374,128 |
| <u>General Government</u> | | 39,702,016 | 20,670,296 |
| | Less Transfers Out: | (19,031,720) | |
| 10.411 | Commissioners (Governing Body) | 371,061 | |
| 10.412 | County Manager's Office | 786,940 | |
| 10.413 | Finance/Purchasing | 1,066,139 | |
| 10.415 | Property Tax Administration | 1,587,244 | |
| 10.416 | Legal/County Attorney | 237,505 | |
| 10.418 | Elections | 468,997 | |
| 10.419 | Register of Deeds | 442,191 | |
| 10.421 | Information Technology | 937,911 | |
| 10.423 | Human Resources | 559,114 | |
| 10.426 | Building Maintenance | 1,630,595 | |
| 10.427 | Facilities Janitorial | 192,411 | |
| 10.428 | Municipal Elections | 109,642 | |
| 10.430 | Municipal Grants | 207,048 | |
| 10.432 | Grants—Third Party (Pass Thru) | 192,186 | |
| 10.433 | Grant—J.C.P.C. Administration | 1,689 | |
| 10.613 | Communities in Schools - County Match | 64,300 | |
| 10.613 | Communities in Schools - JCPC Grant | 72,016 | |
| 10.615 | Historic Property Survey | - | |
| 10.619 | ROD Automation E & P | 72,338 | |
| 10.981 | Transfers Out To: | | |
| | Social Services | 6,131,139 | |
| | Public Assistance | 1,678,767 | |
| | Public Health | 3,166,215 | |
| | Courts | 261,764 | |
| | County Revaluation | - | |
| | Workers' Comp. / Property & Liability | 734,285 | |
| | Health Plan | - | |
| | Debt Service | 2,740,393 | |
| | Capital Reserve | 2,815,633 | |
| | Solid Waste | - | |
| | Conference Center | 420,961 | |
| 10.998 | Emergency & Contingency | 1,185,523 | |
| 13.660 | Employee Wellness | 1,145,565 | |
| 14.417 | Court Facilities | 405,764 | |
| 60.650 | Workers' Compensation | 722,100 | |
| 60.651 | Property/Liability | 552,486 | |
| 65.981 | Employee Medical Insurance | 7,449,528 | |
| 65.981 | Employee Medical Administrative Costs (Tr Out) | 40,000 | |
| 65.981 | Employee Medical Insurance (Tr Out) | 1,042,565 | |
| 66.661 | Employee Dental Insurance | 210,000 | |
| <u>Public Safety</u> | | 22,625,340 | 22,625,340 |
| 10.440 | School Resource Officers | 473,324 | |
| 10.441 | Sheriff | 7,943,521 | |
| 10.442 | Forfeited Property—Federal | - | |
| 10.443 | Forfeited Property—State | 25,000 | |
| 10.444 | Detention Center/Jail | 5,162,364 | |
| 10.445 | Emergency Management | 407,882 | |
| 10.446 | Emergency Medical Services | 6,412,901 | |
| 10.447 | Volunteer Rescue | 50,125 | |
| 10.448 | Communications | 1,163,381 | |
| 10.449 | Electronic Maintenance | 459,619 | |
| 10.450 | Building Inspections | 344,065 | |
| 10.451 | Coroner | 164,557 | |
| 10.453 | Hazardous Materials | 18,602 | |
| <u>Economic & Physical Development</u> | | 6,270,560 | 6,270,560 |
| 10.491 | Planning & Zoning | 340,357 | |
| 10.492 | Economic Development/Tourism | 5,355,511 | |
| 10.495 | Cooperative Extension | 364,952 | |
| 10.496 | Forestry Management | 93,751 | |
| 10.498 | Soil Conservation | 115,989 | |

| | | | | |
|---|--|----------------------------|--------------|-------------|
| <u>Transportation</u> | | | 219,399 | 219,399 |
| 10.497 | Transportation Admin. of Clev. Cty. | 219,399 | | |
| <u>Human Services</u> | | | 41,721,209 | 41,146,628 |
| | | | (574,581) | |
| | | Less Transfers Out: | | |
| 10.560 | Mental Health (Pathways) | 607,368 | | |
| 10.560 | Local Mental Health Allocations (Pathways) | 750,000 | | |
| 10.591 | Veterans' Service Officer | 93,773 | | |
| 10.617 | Council on Aging (Senior Center) | 488,326 | | |
| 11.000 | Social Svcs. & Public Asst. | 24,959,474 | | |
| 11.000 | Transfers Out To Other Funds | 223,444 | | |
| 12.000 | Public Health | 14,247,687 | | |
| 12.000 | Transfers Out To Other Funds | 351,137 | | |
| <u>Education</u> | | | 31,486,918 | 31,486,918 |
| 10.600 | Cleveland County Schools | | | |
| | Current Expense | 10,200,000 | | |
| | Capital Outlay | 1,400,000 | | |
| | Capital Outlay - Special Allocation | 1,450,000 | | |
| | JCPC Early Intervention Grant (Pass Thru) | 45,000 | | |
| 10.604 | Cleveland Community College | | | |
| | Utilities/Maint Bldg-Grounds | 74,000 | | |
| | Current Expense | 1,954,872 | | |
| 20.600 | School Property Taxes | 12,663,046 | | |
| | School Sales Tax (Pass Through) | 3,700,000 | | |
| <u>Cultural</u> | | | 2,989,986 | 2,989,986 |
| 10.611 | Libraries | | | |
| | County Library System | 1,097,537 | | |
| | Other Libraries | 88,500 | | |
| 10.612 | Recreation | 116,433 | | |
| 10.614 | Historic Artifacts | 91,000 | | |
| 10.470 | Public Shooting Range | 433,555 | | |
| 55.480 | LeGrand Center | 1,162,961 | | |
| <u>Debt Service (small lease purchase agreements)</u> | | | 50,000 | 50,000 |
| 10.800 | Debt Service | 50,000 | | |
| B. SPECIAL REVENUE FUND APPROPRIATIONS | | | | |
| | | Less Transfers Out: | (85,000) | |
| <u>Public Safety</u> | | | 4,219,200 | 4,134,200 |
| | | Less Transfers Out: | (85,000) | |
| 26.454 | Emergency Telephone | 380,680 | | |
| 26.454 | Transfer Out To Other Funds | 85,000 | | |
| 28.452 | Volunteer Fire Departments | 3,753,520 | | |
| 28.452 | Volunteer Fire Departments (Transfer) | - | | |
| 29.493 | Community Development | - | | |
| C. DEBT SERVICE FUND APPROPRIATIONS | | | 8,029,651 | 8,029,651 |
| <u>Debt Service</u> | | | 8,029,651 | 8,029,651 |
| 30.800 | Debt Service | 8,029,651 | | |
| SECTION II. FUND APPROPRIATIONS. | | | (continued) | |
| D. CAPITAL PROJECT FUND APPROPRIATIONS | | | 11,037,324 | 3,315,033 |
| | | Less Transfers Out: | (7,722,291) | |
| <u>Capital Projects</u> | | | 11,037,324 | 3,315,033 |
| | | Less Transfers Out: | (7,722,291) | |
| 40.210/225 | County Capital Projects | 2,250,633 | | |
| 41.209 | County Capital Reserves (Transfer) | 2,250,633 | | |
| 41.209 | Capital Reserves - Capital Plan | 665,000 | | |
| 42.105 | Schools: Local Option Sales Taxes (Transfer) | 3,134,058 | | |
| 42.107 | Public School Capital Fund (Transfer) | 1,600,000 | | |
| 43.232 | Cap Proj Economic Development | 399,400 | | |
| 43.232 | Cap Proj Economic Development (Transfer) | 737,600 | | |
| E. ENTERPRISE FUND APPROPRIATIONS | | | 8,445,241 | 7,929,906 |
| | | Less Transfers Out: | (515,335) | |
| <u>Environmental</u> | | | 8,445,241 | 7,929,906 |
| | | Less Transfers Out: | (515,335) | |
| 53.472 | Solid Waste Capital Projects | 1,168,600 | | |
| 54.473 | Solid Waste Disposal | 4,512,281 | | |
| 54.473 | Transfers Out To Other Funds | 515,335 | | |
| 54.474 | Solid Waste Collections | 2,249,025 | | |
| SECTION II TOTAL (TOTAL FUND APPROPRIATIONS) | | | 176,796,844 | 148,867,917 |
| | | Less Transfers Out: | (27,928,927) | |

SECTION III. PROPERTY TAX RATES. The County-wide property tax rate shall be 57 cents per \$100 valuation for purposes of the General Fund and 15 cents per \$100 valuation for purposes of the School Property Taxes Fund; thus, the combined County-wide property tax rate shall be 72 cents per \$100 valuation. Further, the property tax rate for the County Fire Service District shall be 8.75 cents per \$100 valuation and derived revenues shall be used to benefit volunteer fire departments in the district. In addition, to benefit the volunteer fire department in a special fire district which is seeking approval of this rate change from the Board of County Commissioners, the property tax rate for the Number Seven and Number Three Fire Districts shall be 8.75 cents per \$100 valuation.

SECTION IV. BUDGET CHANGES. The County Manager shall have authorization to make budget changes between any and all operating funds and departments as long as the Total Fund Estimated Revenues and Total Fund Appropriations remain at the level, including all subsequent budget amendments, approved and adopted by the County Board of Commissioners, except as provided below.

SECTION V. BUDGET CARRY FORWARDS. The County Manager shall have authorization to include in the budget all prior year budget amounts remaining for outstanding purchase order encumbrances, unspent grants, unspent donations, and other ongoing projects as determined by the Finance Department.

CLOSED SESSION

ACTION: Commissioner Allen made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to go into closed session per North Carolina General Statute 143-318.11(a)(3) to consult with the County Attorney on potential legal matter and per North Carolina General Statute 143-318.11(a)(5) to discuss acquisition of real estate property.*

(Copy of closed session minutes found in Closed Session Minute Book)

RECONVENE IN REGULAR SESSION

ACTION: Commissioner Allen made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to reconvene in open session.*

Chairman Holbrook announced that no action was taken during the closed session.

COMMISSIONER REPORTS

Commissioner Whetstine thanked County Manager, Jeff Richardson, and Finance Director, Brian Epley, for thoroughly going over the budget with him and answering any questions he had. Commissioner Whetstine spent an afternoon at the Earl Scruggs Museum touring it and listened to a Bluegrass Band. He also attended the EMS Breakfast and said what a privilege it was to be able to go and meet some of the first responders. Commissioner Whetstine is on the Cleveland County Commission for Women, 2017 is their 39th year and they are working hard to recognize the contributions the women in Cleveland County have done.

Commissioner Allen also attended the EMS Appreciation Breakfast. She advised one attendee lives and work in a different county and was impressed with the support Cleveland County First Responders received from their Commissioners. She also thanked the First Responders for what they do.

ADJOURN

There being no further business to come before the Board at this time, Commissioner Falls made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to adjourn the meeting.* The next meeting of the Commissioners is scheduled for *Tuesday, June 20, 2017 at 6:00 p.m. in the Commissioners Chamber.*

*Eddie Holbrook, Chairman
Cleveland County Board of Commissioners*

*Phyllis Nowlen, Clerk to the Board
Cleveland County Board of Commissioners*