

Cleveland County Board of Commissioners
June 6, 2023

The Cleveland County Board of Commissioners met on this date at the hour of 6:00 p.m. in the Commission Chambers of the Cleveland County Administrative Offices.

PRESENT: Kevin Gordon, Chairman
Ronnie Whetstine, Vice-Chair
Johnny Hutchins, Commissioner
Doug Bridges, Commissioner
Deb Hardin Commissioner
Tim Moore, County Attorney *via teleconference*
Martha Thompson, Deputy County Attorney
Todd Carpenter, Interim County Manager
Phyllis Nowlen, Clerk to the Board
Kerri Melton, Assistant County Manager
Allison Mauney, Human Resources Director
Lucas Jackson, Finance Director
Jason Falls, Business Development Director
Scott Bowman, Maintenance Director
Betsy Harnage, Register of Deeds
Sherry Lavender, Tax Assessor
Clifton Philbeck, Board of Elections Director
Colt Farrington, Building Inspections Director

CALL TO ORDER

Chairman Gordon called the meeting to order, and members of the Women Republicans of Cleveland County (WeROCC) led the audience in the Pledge of Allegiance and provided the invocation.

AGENDA ADOPTION

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Bridges and unanimously adopted by the Board to, *approve the agenda as presented.*

SPECIAL RECOGNITION

RESOLUTION IN HONOR OF RUTH WILSON

Ruth Barnett Wilson was a lifelong public servant to the citizens of Cleveland County. She served on the Cleveland County Board of Elections from 1985 to 2009 and was instrumental in finding precinct officials, and ensuring the proper conduction of local elections. Mrs. Wilson passed away on April 15, 2023, and the following was proclaimed in her honor.



CITIZEN RECOGNITION

Janet Whisnant, 1338 Union Church Road, Shelby – spoke about her concerns with Animal Services. Ms. Whisnant was a Cleveland County Animal Services Advisory Board member. She cited the work that was accomplished during her tenure on that board, and recommended reactivation of the board.

Marge Hooper, 157 Delmar Road, Shelby – spoke in opposition to the “*Crafting in Color*” event that was held at the Eugenia H. Young Library on Tuesday, June 6, 2023.

Cindy Bailey, 2546 Shoal Creek Church Road, Shelby – spoke in opposition to the “*Crafting in Color*” event that was held at the Eugenia H. Young Library on Tuesday, June 6, 2023.

Alex Cherry, no address given – spoke about her concerns with Animal Services’ policies and procedures.

Mary Ledford, no address given – spoke about her concerns with Animal Services’ management, policies, and procedures.

Deanna Kristen, 215 Eagle Cove Drive, Cherryville – spoke about her concerns with the repeal of animal licensing ordinance and the issues it could cause. She also cited other areas in the county’s Animal Services Ordinance that should be reviewed, updated, and enforced.

Maggie Watson, 127 Carroll Drive, Cherryville – spoke about her concerns with Animal Services, echoing previous comments.

Guy Smith, 2207 Taylor Road, Shelby – spoke in opposition to the “*Crafting in Color*” event held at the Eugenia H. Young Library on Tuesday, June 6, 2023, suggesting defunding the library.

David Marshall, 517 Cherryville Road, Shelby – spoke in favor of the “Crafting in Color” event held at the Eugenia H. Young Library on Tuesday, June 6, 2023, and the value of inclusion within a community.

Kaylynn Beaver, 361 Grice Street, Shelby - spoke about her concerns with Animal Services, echoing previous comments about policies and procedures.

BJ Zamora, 504 Country Club Acres, Shelby – spoke about her concerns with the repeal of Animal Licensing and other areas of the Animal Services Ordinance, echoing previous comments regarding management, policies, procedures, and enforcement.

Ginger Bullock, 119 Laurel Ridge Drive, Cherryville – spoke about her concerns with Animal Services and the Animal Services Ordinance, echoing previous comments.

Alton Beal, 104-1 N. Lee Street, Shelby – spoke in opposition to the “*Crafting in Color*” event that was held at the Eugenia H. Young Library on Tuesday, June 6, 2023, echoing previous comments of concern and defunding the library.

Joann Hampton, no address given – spoke in favor of the “*Crafting in Color*” event that was held at the Eugenia H. Young Library on Tuesday, June 6, 2023, thanking the library and staff.

Katrina Summerville, 1217 S. Lafayette Street., Shelby – spoke about her concerns with Animal Services regarding their policies and procedures.

Renea Bumgarner, 864 West Warren Street, Shelby – spoke about inclusiveness and its importance to the community.

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes from the **May 16, 2023** regular Commissioners’ meeting in Board members’ packets.

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

FINANCE DEPARTMENT: BUDGET TRANSFER SUMMARY

As required by North Carolina General Statute §159-15, all internal transfers shall be submitted to the Board of Commissioners. The budget transfer summary from May 8, 2023 through May 26, 2023 is included in Commissioner packets.

ACTION: Commissioner Bridges made a motion, seconded by Commissioner Hardin, and passed unanimously by the Board to, ***approve the budget transfer summary as presented.***

BUDGET TRANSFERS LEGEND: D = DEPARTMENTAL; L = LATERAL

BUD #	BUDGET TYPE	DATE SUBMITTED BY DEPT	DEPT #	DEPT TO NAME	DEPT #	DEPT FROM NAME	EXPLANATION	BUDGET AMOUNT
1578	D	5/8/2023	054.474	SW Manned Sites			Move funds to cover contracted labor	\$ 50,000
1579	D	5/9/2023	010.413	Finance			Move funds to cover departmental supplies, penalty exp	\$ 2,000
1580	D	5/9/2023	012.540	WIC			Move funds to cover trainings, departmental supplies, capital equipment	\$ 104,934
1581	D	5/9/2023	010.444	Detention Ctr			Move funds to cover motor fuels, travel/training, professional services	\$ 6,000
1582	D	5/9/2023	010.426	Maintenance			Move funds to cover rental	\$ 1,000
1583	D	5/9/2023	040.210	Capital Projs-General			Move funds to cover software licenses	\$ 39,086
1584	L	5/11/2023	010.411	Commissioners	010.998	Contingency	Transfer funds to cover allocation to Foothills Farmers Market -KM	\$ 14,000
1585	L	5/12/2023	010.446	EMS	010.447	EMS Transition	Transfer EMS Transition budget over to EMS dept to cover accounts	\$ 2,087,234
1586	D	5/15/2023	054.473	SW Landfill			Move funds to cover controlled property exp and rental equipment	\$ 3,046
1587	D	5/15/2023	010.416	Legal			Move funds to Board of Adjustment Settlement	\$ 10,000
1588	D	5/15/2023	026.454	E911 Phone Sys			Move funds to cover maint contracts-equipment	\$ 44
1589	D	5/15/2023	060.650	Workers Compensation			Move funds to cover bank charges	\$ 100
1590	D	5/15/2023	060.651	Property/Liability			Move funds to cover insurance claims-general	\$ 570
1591	D	5/15/2023	010.591	Veteran Services			Move funds to cover travel/training	\$ 503
1592	D	5/15/2023	055.480	LeGrand Center			Move funds to cover food for events	\$ 1,500
1593	D	5/16/2023	010.449	Electronic Maintenance			Move funds to cover postage	\$ 1,000
1594	D	5/16/2023	010.415	Tax Admin			Move funds to cover departmental supplies	\$ 700
1595	D	5/16/2023	010.445	Emergency Management			Move funds to cover controlled property exp, uniforms/clothing, travel	\$ 3,186
1596	L	5/17/2023	FD 11	DSS	FD 11	DSS	Move funds to cover expenses thru EOY	\$ 164,000
1597	D	5/17/2023	010.444	Jail			Move funds to cover repairs to chiller	\$ 2,500
1598	D	5/18/2023	010.447	EMS Transition			Move funds to cover automotive supplies	\$ 16,000
1599	D	5/18/2023	012.534	School Health			Move funds to appropriate account and cover expenses thru EOY	\$ 1,084,423
1600	D	5/18/2023	054.473	SW Landfill			Move funds to cover automotive supplies	\$ 3,200
1601	L	5/22/2023	010.451	Coroner	010.998	Contingency	Move funds to cover autopsies/investigations	\$ 15,000
1602	D	5/22/2023	010.448	Communications			Move funds to cover departmental supplies & rental/lease equipment	\$ 740
1603	D	5/22/2023	012.546	COVID			Move funds to cover misc grant expenses	\$ 181,681
1604	D	5/22/2023	012.546	COVID			Move funds to cover capital equipment & salaries	\$ 108,130
1605	D	5/22/2023	010.411	Commissioners			Move funds to cover professional services	\$ 40
1606	D	5/23/2023	010.441	Sheriff's Office			Move funds to cover professional services	\$ 3,000

BUDGET TRANSFERS LEGEND: D = DEPARTMENTAL; L = LATERAL

BUD #	BUDGET TYPE	DATE SUBMITTED BY DEPT	DEPT #	DEPT TO NAME	DEPT #	DEPT FROM NAME	EXPLANATION	BUDGET AMOUNT
1607	D	5/23/2023	010.470	Shooting Range			Move funds to cover resale merchandise	\$ 2,677
1608	D	5/24/2023	010.423	Human Resources			Move funds to cover professional services	\$ 3,000
1609	D	5/24/2023	486.245	Capital Projs-CC Fair			Move funds to cover professional services	\$ 50,000
1610	D	5/24/2023	010.470	Shooting Range	010.471	Shooting Range-Skeet & Trap	Transfer funds to cover capital equipment	\$ 8,000
1611	D	5/24/2023	010.445	Emergency Management			Move funds to cover controlled property exp	\$ 4,980
1612	D	5/24/2023	010.411	Commissioners			Move funds to cover departmental supplies	\$ 200
1613	D	5/25/2023	010.542	Animal Services			Move funds to cover accounts thru EOY	\$ 37,200
1614	D	5/25/2023	010.446	EMS			Move funds to cover awards/appreciation	\$ 2,200
1615	D	5/26/2023	010.421	IT			Move funds to cover EOY purchases	\$ 54,877
1616	D	5/26/2023	010.415	Tax Admin			Move funds to cover departmental supplies	\$ 375
1617	D	5/26/2023	010.470	Shooting Range			Move funds to cover awards/appreciation	\$ 400
1618	D	5/26/2023	040.210	Capital Projs-General			Move funds to cover controlled property expense	\$ 4,272
1619	D	5/26/2023	055.480	LeGrand Center			Move funds to cover repairs on equipment	\$ 42
1620	D	5/26/2023	026.454	E911 Phone Sys			Move funds to cover maint contracts-equipment	\$ 480
1621	D	5/26/2023	010.495	Cooperative Extension			Move funds to cover postage	\$ 275

REGISTER OF DEEDS: BUDGET AMENDMENT (BNA #064)

ACTION: Commissioner Bridges made a motion, seconded by Commissioner Hardin, 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>
010.619.4.991.00		ROD Automation/Fund Balance Appropriated	\$4,721.00	
010.619.5.490.00		ROD Automation/Professional Services	\$4,721.00	

Explanation of Revisions: Budget allocation for \$4,721 in automation funds to cover FY23 preservation work on Marriage Certificates by Kofile Technologies.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #065)

ACTION: Commissioner Bridges made a motion, seconded by Commissioner Hardin, 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>
013.660.4.510.78		EWC/Wellness Tier 5 – Fees	\$225,339.00	
013.660.5.121.00		EWC/Salaries-Wages Reg	\$36,504.00	
013.660.5.210.00		EWC/Departmental Supply	\$2,000.00	
013.660.5.230.01		EWC/Prescription Drugs	\$176,735.00	
013.660.5.231.00		EWC/Pharmacy Fees	\$10,000.00	
013.660.5.321.00		EWC/Telecommunications	\$100.00	

Explanation of Revisions: Budget allocation for \$225,339 in rebates to cover prescription drug costs as well as year-end department needs (salaries, technology, supplies, etc.)

FINANCE DEPARTMENT: 2023 AUDIT CONTRACT

North Carolina General Statute §159-34 requires each unit of local government in North Carolina to have its accounts audited at the close of each fiscal year by a certified public accounting firm. The audit evaluates the performance of a unit of local government regarding compliance with applicable federal and state laws as well as the accuracy and reliance of the financial statement disclosures. Each year Cleveland County's audit contract must be approved first by the County Board of Commissioners and then by the North Carolina Local Government Commission. The Finance Department recommends renewing the contract with Thompson, Price, Scott, Adams & Co, P.A. for the 2023 – 2024 fiscal year audit.

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, *to approve the audit contract with Thompson, Price, Scott, Adams & Co, P.A. for the 2021-2022 fiscal year audit. (a full copy of the audit contract is on file in the Clerk's Office and the Finance Department).*

PLANNING DEPARTMENT: REQUEST TO SET A PUBLIC HEARING FOR TUESDAY, JULY 11, 2023 FOR CASE 23-14; REQUEST TO REZONE PARCELS AT 392 PREYER STREET FROM RESTRICTED RESIDENTIAL (RR) TO RESIDENTIAL (R)

The applicant, Oz Realty, LLC, requests to rezone parcel 22160, containing 0.45 acres, from Restricted Residential (RR) to Residential (R). The parcel is on Preyer Street, off Oak Grove Road, east of Shelby. The property is zoned Restricted Residential (RR), as is property to the north along Oak Grove Road and Residential to the south down Preyer Street and neighboring streets. The surrounding uses are a mix of single-family dwellings, manufactured homes, and some business uses along Oak Grove Road. The Land Use Plan designates this area as Primary Growth.

ACTION: Commissioner Bridges made a motion, seconded by Commissioner Hardin, and unanimously adopted by the Board to, *approve setting the public hearing as requested.*

PLANNING DEPARTMENT: REQUEST TO SET A PUBLIC HEARING FOR TUESDAY, JULY 11, 2023 FOR CASE 23-15; REQUEST TO REZONE PARCELS AT 410 DAVIS ROAD FROM RESIDENTIAL (R) TO NEIGHBORHOOD BUSINESS-CONDITIONAL USE (NB-CU) FOR A RECREATIONAL VEHICLE PARK EXPANSION

Parcel 55397 is 23.1 acres at 410 Davis Road, south of Shelby. The Gibsons own Dry Ridge RV Park on parcel 59068, containing 30 RV pads. The RV Park is considered a nonconforming use, and 12-8(C) of the Cleveland County Unified Development Ordinance (UDO) states that any expansion beyond the original lot where the use is located is prohibited. Expanding onto parcel 55397 requires rezoning to a district that has RV parks as a permitted use. The request is to change the 18 acres marked on the site plan, covering parcel 59068, and a section of parcel 55397 to Neighborhood Business-Conditional Use (NB-CU) to place 20 RV sites on it. As a condition, the petitioner is requesting that these parcels be combined if approved for rezoning by the Commissioners. The proposed site plan meets the requirements of Section 12-161 of the UDO. The surrounding zoning is mostly

Residential (R), with Residential Manufactured Homes and Parks (RMH) to the northeast and General Business (GB) to the east along South Post Road. The surrounding uses are mostly single-family dwellings and large vacant agricultural tracts. The Land Use Plan calls this area Future Secondary Growth.

ACTION: Commissioner Bridges made a motion, seconded by Commissioner Hardin, and unanimously adopted by the Board to, *approve setting the public hearing as requested.*

PLANNING DEPARTMENT: REQUEST TO SET A PUBLIC HEARING FOR TUESDAY, JULY 11, 2023 FOR A REQUEST TO ABANDON A PORTION OF THE PUBLIC RIGHT OF WAY ON HYWOOD ROAD

The applicant, Kellie Boice, requests that a portion of Hywood Road be abandoned. The road is surrounded by parcels 37944 and 65157, both owned by Ms. Boice who has requested to abandon the right of way that begins at parcel 37944 and continues into parcel 65157. The North Carolina Department of Transportation (NCDOT) has been notified of the request and has given its consent to move through the abandonment process.

ACTION: Commissioner Bridges made a motion, seconded by Commissioner Hardin, and unanimously adopted by the Board to, *approve setting the public hearing as requested.*

LEGAL DEPARTMENT: SALE OF COUNTY-OWNED PROPERTY FOR PARCEL 7924

Cleveland County acquired parcel 7924, located on Campbell Circle in Kings Mountain from foreclosure proceedings in 1994. This plot of land is landlocked and has no residential structures. The 2023 Tax Value is \$160. Parcel 7924 was approved for advertising following the offer on this property for an upset bid pursuant to North Carolina General Statutes. The final bid and offer are now before the Commissioners for consideration to approve the sale. The City of Kings Mountain was the highest bidder, offering \$630.00. Staff is requesting approval of the offer made and authorizing County staff to prepare a deed to sell this parcel to the City of Kings Mountain.

ACTION: Commissioner Bridges made a motion, seconded by Commissioner Hardin, and unanimously approved by the Board to, *approve the offer of \$630 made on parcel 7924 and authorize county staff to prepare the deed of sale and deliver to the City of Kings Mountain upon payment.*

RECORDING FEE \$ 26.00 REVENUES
Madeline Brigg

Doc No: 200088253
 Recorded: 06/09/2023 10:17:59 AM
 Fee Amt: \$26.00 Page 1 of 2
 Transfer Tax: \$0.00
 Cleveland County North Carolina
 Betsy S. Harnage, Register of Deeds
 BK 1900 PG 356 - 356 (2)

**NORTH CAROLINA QUITCLAIM DEED
 NO TITLE SEARCH REQUESTED OR PERFORMED**

Excise Tax: \$0
 Parcel Identifier No. 7924 Verified by _____ County on the _____ day of _____, 20____
 By: _____
 Mail/Box to: City of Kings Mountain, Post Office Box 429, Kings Mountain, North Carolina 28086
 This instrument was prepared by: Martha R. Thompson, Attorney
 Brief description for the Index: _____
 THIS DEED made this 6th day of June, 2023, by and between
 GRANTOR GRANTEE

CLEVELAND COUNTY, NORTH CAROLINA
 A political subdivision of the State of North Carolina
 311 E. Marlon Street, Suite 121
 Shelby, North Carolina 28150

The City of Kings Mountain
 PO Box 429
 Kings Mountain, North Carolina 28086

Property Address:
 Campbell Circle
 Kings Mountain, North Carolina 28086

Enter in appropriate block for each Grantor and Grantee: name, mailing address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine, or neuter as may be required by context.

WITNESSETH, that said Grantor, for and in consideration of the sum of Six Hundred Thirty and No/100 dollars and other consideration to them in hand paid, the receipt of which is hereby acknowledged, have remised and released and by these presents do remise, release, and forever quitclaim into the Grantee and their heirs and assigns all right, title, claim, and interest of the said Grantor in and to a certain tract or parcel of land lying and being in the County of Cleveland and State of North Carolina, and more particularly described as follows:

BEGINNING at a stake at the intersection of Morris Street with Tracy Street and runs thence with the Western edge of Tracy Street S. 30 E. 90 feet to a stake, Will Adam's corner; thence with his line N 61 deg. 53 min. W 205.3 feet to a stake in the Southern edge of Morris Street; thence with Morris Street S 88 deg. 30 min. E 185.7 feet to the BEGINNING and being a part of the W. A. Williams property.

EXCEPTED FROM THE ABOVE-DESCRIBED PROPERTY.

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Resolution

12-2023

**Resolution Accepting Negotiated Offer and Upset Bid
 (G.S. 160A-269)**

WHEREAS, Cleveland County received an offer to sell and adhered to the upset bid procedures pursuant to N.C.G.S. § 153A-176 and N.C.G.S. § 160A-269 and of its February 7, 2023 Resolution as to a certain property it owns identified, as follows:

Parcel #	Location	Highest Offeree	Current Offer
7924	Campbell Circle	City of Kings Mountain	\$630.00

and
 WHEREAS, the time is ripe for the County to review and determine whether to accept or reject the highest bids by analyzing the bids and the property; and

WHEREAS, the County has incurred expenses on the property identified above reflected as follows:

Parcel #	2022 Tax Value	Current Offer	TOTAL Owed (Taxes + FC cost)	Gains/(Losses)
7924	\$160.00	\$630.00	\$960.00	(\$330.00)

and
 WHEREAS, the County expects offers to cover the indebtedness of any property through this bid process, with the intention to sell property for a sum that is equal to or in excess of the amount owed to the County when reasonable and that takes into consideration a rational relationship to the tax value of the property at issue; and

WHEREAS, although the bid on parcel 7924 does not cover the outstanding indebtedness on the property, the bid is significantly higher than the current tax value.

WHEREAS, notice of this Board's intention to accept the offer and instructions for the upset bid process were published in The Shelby Star on February 12, 2023, March 7, 2023, March 21, 2023, April 4, 2023, April 18, 2023 and May 2, 2023; and

Less and Except any property that was conveyed out of the above property.

No title search was requested or performed on these parcels.

____ If checked, the property includes the primary residence of the Grantor (N.C.G.S. § 105-317.2)

The property hereinabove described was acquired by Grantor by instrument recorded in Deed Book 1150, Page 0918, Cleveland County Registry.

A map showing the above-described property is recorded in Map KM 7, BLK: 1, Lot: 27.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land and all privileges thereunto belonging to her/him the said Grantee and her/his heirs and assigns free and discharged from all right, title, claim or interest of the said grantors or anyone claiming by, and through or under them.

Title to the property hereinabove described is subject to the following exceptions if any:

Rights of way and easements of record
 Municipal liens
 GRANTOR makes no warranty, express or implied, as to title to the Property.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

CLERK TO THE BOARD:

Phyllis Nauden
 ATTEST

CLEVELAND COUNTY, NORTH CAROLINA

By *Kevin Gordon*
 Kevin Gordon, Chair
 Board of Commissioners



State of North Carolina - County of Cleveland

I, the undersigned Notary Public, do hereby certify that Kevin Gordon personally came before me this day and acknowledged that he is the Chairman of the Cleveland County Board of Commissioners, a State of North Carolina Governmental Body and that by authority duly given and as the act of this entity he signed the foregoing instrument in its name on its behalf as its act and deed.

Witness my hand and Notarial stamp or seal, this 6th day of June, 2023.

My Commission Expires: 5-7-2027
 (Affix Seal)

April N. Cotts
 April N. Cotts
 Notary Public
 Notary's Printed or Typed Name



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 Printed by Agreement with the NC Bar Association

WHEREAS, the County received multiple offers for the property during the upset bid process and the last and highest bidder with no other upset bids was the City of Kings Mountain.

THEREFORE, THE CLEVELAND COUNTY BOARD OF COMMISSIONERS RESOLVES THAT:

1. The Board of Commissioners approves the sale to the City of Kings Mountain of the property identified as parcel # 7924 located at Campbell Circle, Kings Mountain, NC for the sum of \$630.00 in cash, money order or cashier's check; and authorizes Chair Kevin Gordon to sign a quitclaim deed for parcel # 7924 to the City of Kings Mountain upon payment; and instructs County staff to prepare the quitclaim deed to be delivered to the City of Kings Mountain upon payment.

Adopted this 6th day of June, 2023.

Kevin Gordon
 Kevin Gordon, Chairman
 Cleveland County Board of Commissioners

ATTEST:

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



JUVENILE CRIME PREVENTION COUNCIL: 2023 – 2024 ANNUAL FUNDING

Annually, the Juvenile Crime Prevention Council (JCPC) comes to the Board of Commissioners to seek their approval on their annual list of priorities. This does not have any direct cost to the county but does require action on the Board's part to approve their funding priorities for the fiscal year. Recommendations for FY 2023-2024 include:

- JCPS Admin \$15,550
- Cleveland Early Intervention CCS \$ 40,000
- Cleveland County Community Service & Restitution \$43,000
- Juvenile Mediation \$30,000
- Kids at Work \$37,500
- Cleveland County Teen Court \$55,000
- PORT Program \$40,000
- Forward Focus \$30,500
- Common Sense Parenting \$36,000
- Clinical Assessments \$12,563

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hardin and unanimously approved by the Board to, *approve the Cleveland County Juvenile Crime Prevention Council Annual Plan and Funding Allocation for 2023 – 2024.*

PUBLIC HEARINGS

PLANNING DEPARTMENT CASE 23-10; REQUEST TO AMEND THE CLEVELAND COUNTY UNIFIED DEVELOPMENT ORDINANCE AND TABLE OF USES TO ALLOW MICROBREWERIES AS A PERMITTED USE IN THE RURAL AGRICULTURAL (RA) DISTRICT

Chairman Gordon recognized Zoning Administrator Henry Earle to present Planning Department Case 23-10; Request to Amend the Cleveland County Unified Development Ordinance (UDO) Definitions and Table of Uses to Allow Microbreweries as a Permitted Use in the Rural Agriculture (RA) District. The applicants, Phillip and Jillian Hidy, are requesting to amend the Cleveland County Development Ordinance, Sections 12-21 (Definitions) and Section 12-124 (Table of Uses) so that microbreweries can be a permitted use in the Rural Agriculture (RA) zoning district. Currently, breweries are categorized as beverage and tobacco product manufacturing in the UDO and permitted only in the Heavy Industrial (HI) district. This amendment, if approved, will define and separate microbreweries from the beverage and tobacco product manufacturing category and allow them in the Rural Agriculture (RA) district with a zoning permit. Due to the low density, the Rural Agriculture (RA) district allows Residential (R), various agricultural, and some commercial uses. Similar uses permitted in the Rural Agriculture (RA) district include wineries and distilleries.

Section 12-124 Table of Permitted Uses

MANUFACTURING		RA	RR	R	RM	NB	GB	CP	LI	HI
Food	31100								Z	Z
Beverage and Tobacco Products	31200									Z
Winery	31200	Z							Z	Z
Distillery	31200	Z								Z
Micro-Brewery	31200	Z								Z

Section 12-21 Definitions

Micro-Brewery – A craft brewery primarily engaged in the production of less than 15,000 barrels of craft beer per year.

The Hidy's have proposed the following text amendment definition; Micro-brewery – A craft brewery primarily engaged in the production of fewer than 15,000 barrels of craft beer per year. Planning staff reviewed and compared the proposal to other ordinances and suggested the following definition be considered:

- Micro-brewery – A brewery primarily engaged in the production of fewer than 15,000 barrels of beer per year. This establishment may also include on-site beverage and food services.

The Planning Board voted unanimously to recommend approval of the request to add microbreweries as a permitted use in the Rural Agriculture (RA) district with a zoning permit. They also voted unanimously to recommend adopting the definition of a microbrewery proposed by the Planning staff, determining that the use of a microbrewery in the Rural Agriculture (RA) district was consistent with similar uses of a winery and distillery, which are already permitted in that district. The following information and PowerPoint were presented to the Board.

**Case 23-10
Text Amendment
Microbreweries**

Amendment Text

Section 12-124: Table of Uses

MANUFACTURING	NAICS	RA	RR	R	RM	NB	GB	CP	LI	HI
Beverage and Tobacco Products	31200									Z
Winery	31200	Z							Z	Z
Distillery	31200	Z								Z
Microbrewery	31200	Z								Z

Section 12-21: Definitions
Microbrewery: A craft brewery primarily engaged in the production of less than 15,000 barrels of craft beer per year.

Staff Review

- Staff agrees with applicant on adding microbreweries to the Rural Agriculture district
 - Compatible with similar uses allowed in RA (wineries, distilleries)
 - RA is a mixed-use district with both residential and commercial uses
- Staff suggestions
 - Remove the word craft from the proposed definition
 - Add reference to food and beverage sales on site
 - Microbrewery: A brewery primarily engaged in the production of less than 15,000 barrels of beer per year. This establishment may also include on-site beverage and food services.

Planning Board Review

- Planning Board reviewed the text and agreed with staff's suggestions.
- The Board voted unanimously to:
 - Add microbreweries to the Rural Agriculture zoning district
 - Approve the definition with the amendments staff proposed.

Requested Board Action

- Public Hearing
- Approve as presented by applicant
- Approve with modifications
- Deny

Chairman Gordon opened the floor to the Board for questions and discussion. Commissioner Hutchins inquired why microbreweries were not recommended to be included in Light Industrial (LI) zoning districts like wineries and food establishments. Mr. Earle advised that this was the proposed amendment submitted by the applicants; however, Commissioners may change the text to include breweries in the Light Industrial (LI) zoning districts.

Chairman Gordon opened the Public Hearing at 7:11 pm for anyone wanting to speak for or against Planning Department Case 23-10; Request to Amend the Cleveland County Unified Development Ordinance (UDO)

Definitions and Table of Uses to Allow Microbreweries as a Permitted Use in the Rural Agriculture (RA) District.

(Legal Notice was published in the Shelby Star on Friday, May 26, 2023, and Friday, June 2, 2023).

Jacqueline Walford, 910 Stony Point Road, Shelby – spoke in opposition to the proposed amendment, expressing her concerns about increased traffic safety if the brewery location were to be approved.

Wayne Smiley, 955 Stoney Point Road, Kings Mountain – spoke in opposition to the proposed amendment, citing his worries about the amount of increased traffic, noise, and safety for the community.

Chairman Gordon reminded those in attendance who wish to speak regarding Planning Case 23-10 that the public hearing is to consider the text amendment only, not the brewery's location/rezoning request. The case before Commissioners is to consider amending the Cleveland County Unified Development Ordinance (UDO) Definitions and Table of Uses to allow microbreweries as a permitted use in the Rural Agriculture (RA) District.

Cindy Bailey, 2546 Shoal Creek Church Road, Shelby – spoke neither for nor against Planning Case 23-10; she inquired if the county has recently opened a total of four shell buildings, why is a new facility considered for this microbrewery. *(Chairman Gordon corrected Ms. Bailey on the difference between a shell building and the proposed text amendment).* Ms. Bailey suggested that this business should look at other facilities located within the city limits of a highly populated municipality and not in a rural setting.

Alex Walker, 944 Stoney Point Road, Shelby – spoke in opposition to the rezoning to allow the microbrewery expressing his concerns regarding alcohol consumption and safety for the community.

Danny Perkins, 814 Stoney Point Road, Shelby – spoke in opposition to allowing microbreweries in the Rural Agricultural (RA) zoning district, advising that these types of businesses should be in more populated areas of the county, not in the rural areas.

Allison Still, 1731 Pinedale Road, Cherryville – spoke in opposition to the text amendment, echoing previous comments of concerns about traffic, safety, and rural living. She stated that microbreweries should be in more populated areas.

Kaylynn Beaver, 361 Grice Street, Shelby – spoke in favor of allowing microbreweries in Rural Agricultural (RA) zoning stating the location made sense with the amount of acreage proposed. She also commented on the positive financial opportunities local farmers could have with growing new fields, such as hops and barley.

Renea Bumgarner, 864 West Warren Street, Shelby – spoke in opposition to allowing microbreweries in Rural Agricultural (RA) zoning, echoing previous safety concerns such as traffic and alcohol consumption.

Scott Peeler, 127 Harbor Town Drive, Kings Mountain – spoke in opposition to allowing a microbrewery on Stony Point Road, citing traffic and safety concerns.

Wayne Smiley, 955 Stoney Point Road, Kings Mountain (rebuttal) – spoke about the issues and frustrations he had when he requested rezoning for his double-wide home; however, the proposed microbrewery was quickly approved by the Planning Board.

Carl Duncan, 104 Pilbury Drive, Earl – spoke in opposition to the proposed microbrewery being located in the Rural Agriculture (RA) zoning district.

Hearing no further comments, Chairman Gordon closed the Public Hearing at 7:33 pm.

Chairman Gordon opened the floor to the Board for comments and questions. Commissioner Hardin asked Mr. Earle for clarification that case 23-10 is proposing specifically to amend the Cleveland County UDO definitions and Table of Uses to allow microbreweries as a permitted use in the Rural Agriculture (RA) District; Mr. Earle replied that was correct. Mr. Earle continued by stating that this proposed text amendment and definition is for the UDO would apply to the entire county, not just one location. She then inquired why microbreweries would not be allowed in other zoning districts, such as General Business (GB) and Light Industrial (LI). Mr. Earle advised that, when staff reviewed the proposal, they looked at similar uses, such as wineries and distilleries, and their allowances in the different zoning districts. Commissioner Hardin voiced her concerns about possible spot zoning. Mr. Earle explained that all zoning requests are brought to the Planning Board for their review and then brought before the Board of Commissioners for a decision.

Commissioners further discussed the allowance of microbreweries in the Rural Agriculture (RA) zoning district, citing rural preservation, compatibility with the area, traffic flow and safety, hours of operation, licensing, and possible business expansions. Commissioner Whetstine stated he was in favor of the proposed text amendment advising that microbreweries and other rural agriculture businesses could help boost crops, which in turn, helps the local farmers grow their businesses and income. Mr. Earle reiterated that there are several business allowances in the Rural Agriculture (RA) zoning districts. Chairman Gordon asked Mr. Earle to explain the process when a citizen submits a zoning or text amendment.

Mr. Earle explained that the North Carolina General Statute provides guidance on notification and advertising for a zoning or text amendment. He continued. *“It is a multi-level process. The first step is Commissioners setting a public hearing which is typically set a month before the actual hearing. Step two is notification. Between 10 and 21 days, a legal ad is placed in the local newspaper, running twice, and letters are sent via United States Postal Services to all adjoining property owners; this includes residents across the street from the proposed location and, depending on the case, notification to neighbors is broadened. Signs are also posted on the property.”* Chairman Gordon and other Commissioners interjected concerns that citizens in that community and larger surrounding areas were not notified.

Chairman Gordon recognized the applicant Phillip Hidy to further explain to the Board the purpose of the proposed text amendment and site location details. Mr. Hidy explained the intention is to keep their business in a rural setting and operate as a farm/animal rescue. He added that there is no intention of mass producing and selling the beer crafted on their property. Such as other breweries, theirs will remain on site. The final plan is to have a small venue on-site for events such as weddings and rescue adoptions. Mr. Hidy continued that they will be conscious of the parking and traffic in the area and do not plan on “developing” the site for heavy or industrial-type

uses, keeping in line with the surrounding agricultural uses and scenery. Their goal is to have a family-friendly business. Commissioner Hardin asked Mr. Hidy if he had a general idea of what their hours of operation would be; Mr. Hidy replied that their hours would be comparable to the other local wineries' business hours, 12:00 pm – 8:00 pm, and closed on Mondays and Tuesdays. He concluded by explaining that there was a house already on site, and they planned on living on the property, and being Cleveland County residents.

Commissioner Hutchins made a motion to approve the text amendment with the modification to include the allowance of breweries in Rural Agriculture (RA), General Business (GB), Light Industrial (LI), and Heavy Industrial (HI) zoning. Commissioner Whetstine seconded the motion. Mr. Earle asked for clarification if the motion is also to approve the applicant's proposed definition or the staff's; Commissioner Hutchins replied to approve staff's definition.

Chairman Gordon opened the floor to the Board for final questions and discussion. Commissioner Hutchins acknowledged the concerns brought forth to the Board during the public hearing citing that there are procedures in place to prevent spot or modified zoning and business being built in residential areas. Commissioner Hardin inquired if a person already lives in a Rural Agricultural (RA) zoning; they do not have to come back before Commissioners for approval. Mr. Earle replied, *"If the amendment passes as proposed if someone lives in the Rural Agricultural (RA), General Business (GB), Light Industrial (LI), and Heavy Industrial (HI) zoning districts, a brewery would be allowed by a zoning permit issued by the Planning Department along with a site plan and schematics, but it would be done by permit through our office."*

Chairman Gordon agreed with expanding the allowances to Light Industrial (LI) but voiced concerns regarding permittance in General Business (GB) zoning and suggested sending this case back to staff and the Planning Board for further review and due diligence. The Board was in favor and Commissioner Hutchins withdrew his motion to approve. After a brief discussion, Commissioners advised Planning Case 23-10 to be brought back before the Board at their July 11, 2023, regular meeting.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Hardin, and unanimously approved by the Board to, *send case 23-10 back to the Planning Department and Planning Board for further review. Case 23-10 is to be brought back before the Board at their Tuesday, July 11, 2023, regular meeting at 6:00 pm in the Commissioners' Chambers.*

Chairman Gordon gave direction to Mr. Earle to ensure and expand the notification to residents living in the Rural Agriculture (RA) zoning district regarding the proposed text amendment.

PLANNING DEPARTMENT CASE 23-11; REQUEST TO REZONE PROPERTY AT 956 STONY POINT ROAD FROM RESIDENTIAL (R) TO RURAL AGRICULTURE- CONDITIONAL USE (RA-CU) FOR A MICROBREWERY

Due to the postponement of case 23-10, Commissioners discussed postponing this case until a date after Planning Case 23-10 has been heard again.

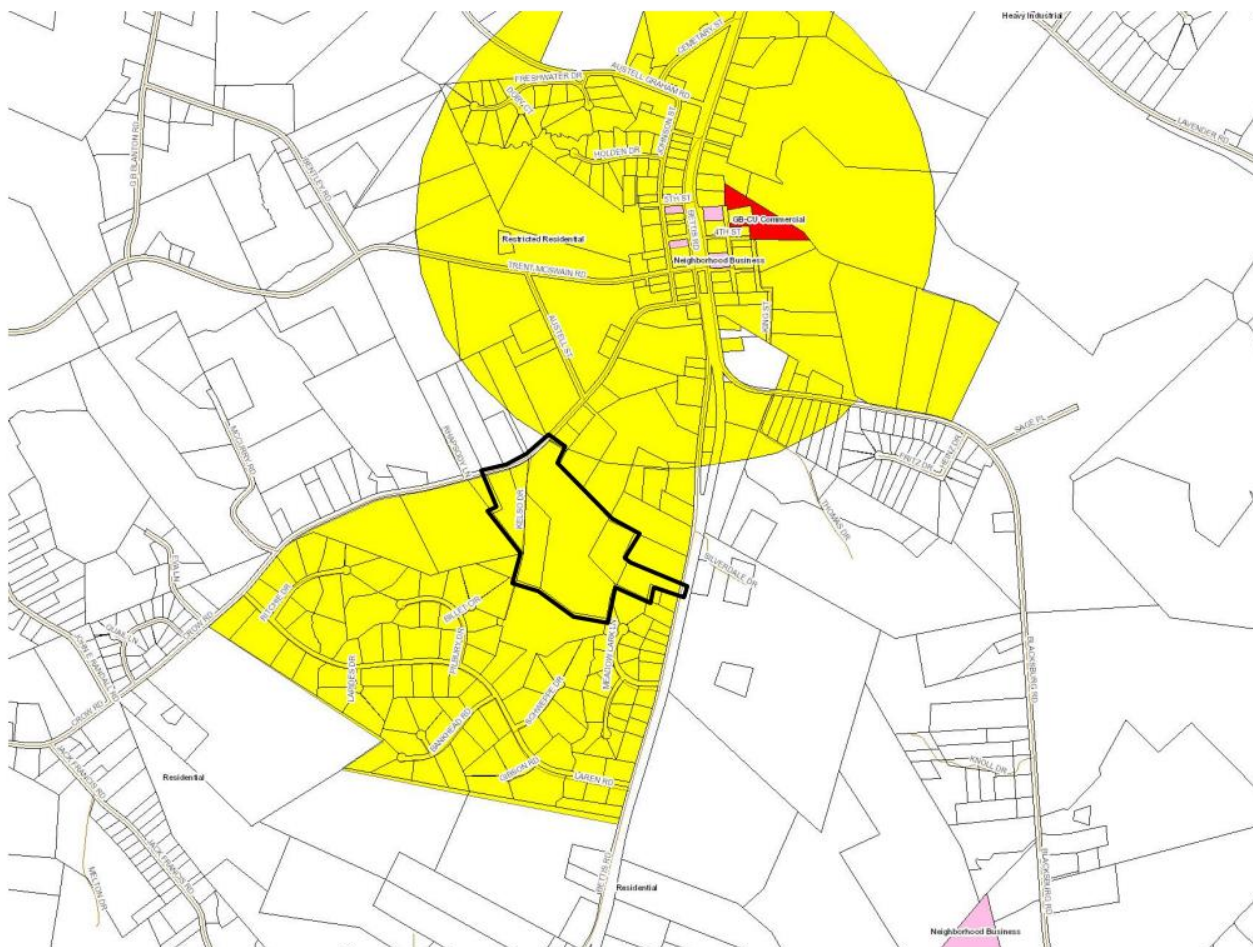
ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously approved by the Board to, *postpone the public hearing for case 23-11, request to rezone property at 956 Stony Point Road from Residential (R) to Rural Agriculture – Conditional Use (RA-CU) for a microbrewery until Tuesday, August 1, 2023, at 6:00 pm in the Commissioner Chambers.*

Commissioner Hardin left the meeting, unexcused at 7:57 pm.

PLANNING DEPARTMENT CASE 23-12; REQUEST TO REZONE PARCELS AT 111 KELSO DRIVE FROM RESTRICTED (RR) TO RESIDENTIAL (R)

Mr. Earle remained at the podium to present Planning Case 23-12; a request to rezone parcels at 111 Kelso Drive from Restricted Residential (RR) to Residential (R). The applicant Steve McSwain is requesting to rezone parcels 52428, 5758, 5788, 46027, and 46026, containing a total of 38 acres, from Restricted Residential (RR) to Residential (R). Restricted Residential (RR) allows for only single-family stick-built and modular homes, whereas Residential (R) zoning allows manufactured homes. The parcels are adjoining and sit between Crow Road and Bettis Road, south of the Town of Earl. Surrounding zoning is a mix of Residential (R) to the north and east and Restricted Residential (RR) to the south. Surrounding uses are mostly stick-built homes with some manufactured housing along Bettis Road. There is also a car salvage yard to the west along Crow Road. The Land Use Plan designates this area as Secondary Growth, which supports residential uses. The proper notification was given for the Planning Board meeting and there was no opposition heard during their meeting.

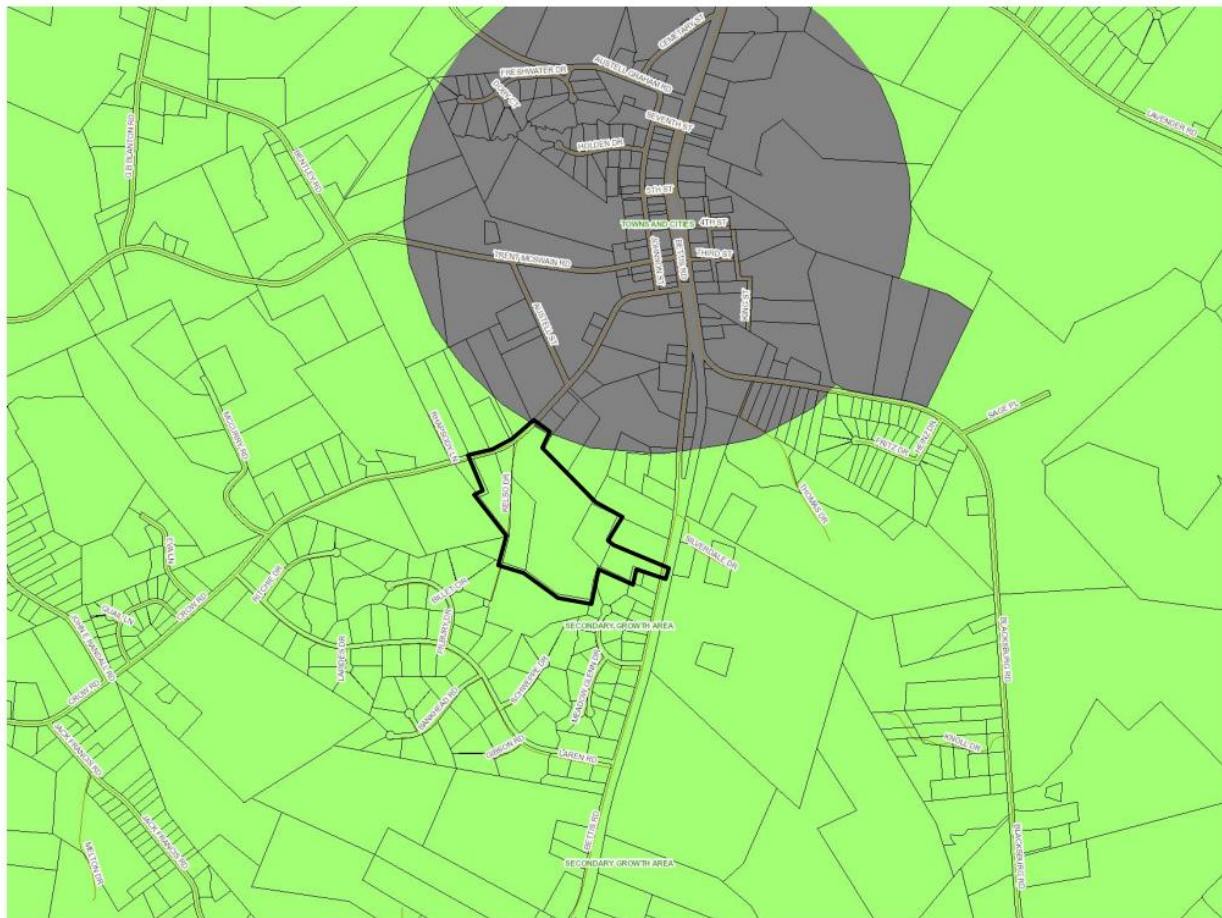
Case #23-12
111 Kelso Drive
Parcels 52428, 5758, 5788, 46027, 46026 38 Acres



Case #23-12
111 Kelso Drive
Parcels 52428, 5758, 5788, 46027, 46026 38 Acres



Case #23-12
111 Kelso Drive
Parcels 52428, 5758, 5788, 46027, 46026 38 Acres



The Planning Board voted unanimously to recommend approval of the request. The Land Use Plan (LUP) designates this area as a Secondary Growth area accommodating uses of moderate intensity and density. The Planning Board determined that the proposed zoning district would be compatible with the area and land use plan designation. The following information and PowerPoint were presented to the Commissioners.

Case 23-12
Rezoning RR to R
111 Kelso Road



Zoning Districts



- **Current Zoning District: Restricted Residential**
 - Allows for sing family dwellings like stick -built homes and modular homes.
 - Other uses include churches and schools.
- **Requested Zoning District: Residential**
 - Allows for stick-built homes, modular homes and manufactured homes.
 - Other uses include multifamily housing, libraries, and museums.

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Planning Board Review



- Planning Board reviewed the rezoning request and heard the petitioner.
- The Board voted unanimously to recommend approval of the rezoning request as presented, citing conformity with the land use plan and compatibility with the surrounding area.

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Requested Board Action



- Public Hearing
- Approve as presented
- Approve with modifications
- Deny

21

Commissioner Hardin returned to the meeting at 8:02 pm.

Chairman Gordon opened the floor to the Board for questions and discussion. Commissioner Hutchins inquired if the applicant gave any indication of what he plans on doing with the property if it is rezoned, citing concerns about a possible trailer park. Mr. Earle advised that Manufactured Home Parks (MHP) are not permitted uses in either Restricted Residential (RR) to Residential (R) zoning districts; they are only allowed in Manufactured Home Park (MHP) zoning districts. Commissioner Hutchins further inquired about the possibility of the applicant surveying off an acre at a time who could, in turn, place a manufactured home on the newly subdivided acre(s) of land. Mr. Earle responded that the applicant could; however, once the applicant hit four manufactured homes, he would then have to start paving roadways to make a subdivision. Mr. Earle further explained that the applicant could survey his property one acre at a time and put stick-built or modular homes on his property.

Chairman Gordon opened the Public Hearing at 8:03 pm for anyone wanting to speak for or against Planning Department Case 23-12; a request to rezone parcels at 111 Kelso Drive from Restricted Residential (RR) to Residential (R). (*Legal Notice was published in the Shelby Star on Friday, May 26, 2023, and Friday, June 2, 2023*).

Jane Buchman, no address given – spoke neither in favor nor against the rezoning request but inquired if this was approved, would it regulate the trail riding that is done on the applicant’s property?

Chairman Gordon asked Mr. Earle if he could respond to Ms. Buchman’s question. Mr. Earle advised that if the trail riding is being done as a business, that is something that would need to be investigated, as that is not permitted in either zoning district but if it is just the applicant’s family and friends just trail riding, the county does not regulate that.

Hearing no further comments, Chairman Gordon closed the Public Hearing at 8:05 pm.

Chairman Gordon opened the floor to the Board for comments and questions. Commissioner Hardin asked if the applicant gave any information on his plans for the property. Mr. Earle advised that the applicant plans on putting a manufactured home on the property behind his house for his granddaughter to reside in. Commissioner Whetstine inquired about the placement of manufactured homes on the property, asking for clarity that the applicant could put mobile homes on the property but could not make a Manufactured Home Parks (MHP). Mr. Earle stated that was correct and reviewed the process required for a Manufactured Home Parks (MHP).

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously approved by the Board to, *approve the request to rezone parcels 52428, 5758, 5788, 46027, and 46026 located at 111 Kelso Drive from Restricted Residential (RR) to Residential (R).*

ANIMAL LICENSING REPEAL 1ST READING

Chairman Gordon called Assistant County Manager Kerri Melton to the podium to present the first reading of the animal licensing repeal the County's ordinance requiring licensing of dogs and cats is set to take effect on July 1, 2023, with no fees associated with the licensing program. During budget discussions, costs associated with animal licensing were included as a new budget line item in the FY 2023 – 2024 budget. Several areas of concern were identified by staff, including:

- Duplication of information in Licensing program as well as the Animal Services Software Program
- First-year cost of licensing is estimated to be \$70,000. With no fee, none of the cost would be re-couped
- Information gathered as part of licensing program is the same information included on rabies vaccinations
- In addition to licensing costs, the program may require additional resources for enforcement

Staff is recommending rescinding the Animal Services Licensing Ordinance. Per North Carolina General Statute §153A-45, the ordinance may be passed at the meeting at which it is first introduced by receiving approval of all members of the Board of Commissioners. If not approved by a unanimous vote of the Board of Commissioners upon first reading, this ordinance may be adopted any time within 100 days of its introduction upon receiving a majority of the votes cast, a quorum being present.

Chairman Gordon opened the Public Hearing at 8:11 pm for anyone wanting to speak for or against the first reading of the animal licensing repeal. (*Legal Notice was published in the Shelby Star on Friday, May 26, 2023, and Friday, June 2, 2023.*)

Allison Still, 1731 Pinedale Road, Cherryville – spoke in opposition to the animal licensing repeal. Ms. Still serves as a Director and current President of the Association for the Welfare of Animals and introduced other board members who were in attendance. She spoke about her concerns regarding the current Animal Licensing Ordinance as written and expressed her frustration with the county's Animal Services. Ms. Still cited the purpose and importance of having a county-wide licensing program and proper enforcement.

Jerry Glover, 123 Andrews Drive, Grover – spoke neither for nor against the animal licensing repeal. Mr. Glover serves as a Director and Treasurer for the Association for the Welfare of Animals and spoke about the importance of a low-cost spay and neuter program in Cleveland County.

Sherry Crowder, 1208 New Crest Lane, Shelby – spoke neither for nor against the animal licensing repeal. She serves as a Director and Vice-President for the Association for the Welfare of Animals and echoed previous comments regarding a low-cost spay and neuter program in Cleveland County. Mrs. Crowder expressed her frustrations with Animal Services and the lack of enforcement regarding animal abuse/cruelty cases.

BJ Zamora, 504 Country Club Acres, Shelby – spoke in opposition to the animal licensing repeal, citing the importance of animal licensing with enforcement. Ms. Zamora echoed previous comments regarding frustrations with Animal Services and the lack of enforcement regarding animal abuse/cruelty cases.

Ginger Bullock, 119 Laurel Ridge Drive, Cherryville – spoke in opposition to the animal licensing repeal explaining the importance of licensing and advised that there are many counties around Cleveland County that do have an animal licensing program with fees. She outlined the revenue benefits that could come into Animal Services with reasonable licensing fees.

Cindy Bailey, 2546 Shoal Creek Church Road, Shelby – spoke in favor of repealing the animal licensing fee, advising pet owners who have multiple animals may not be able to afford the licenses.

Deanna Kristen, 215 Eagle Drive, Shelby – spoke neither for nor against the animal licensing repeal. She spoke about her frustrations regarding the lack of care for animals in the community.

Hearing no further comments, Chairman Gordon closed the Public Hearing at 8:48 pm.

Chairman Gordon opened the floor to the Board for comments and questions. Commissioner Hardin explained the county is in the process of implementing a new software program called Chameleon and asked if it includes a licensing program. Mrs. Melton replied that was correct. Commissioner Hardin also asked if the program that was originally selected to be used for animal licensing was selected by an Animal Services Director who was no longer with Cleveland County. Mrs. Melton advised that was also correct. Commissioner Hardin stated that if the repeal of animal licensing was approved, that did not mean that this licensing could not be revisited and reviewed more thoroughly for possible approval at a later date. She continued, stating that she is active in her rescue and is aware of the issues regarding Animal Services and the overpopulation of dogs and cats in Cleveland County. Commissioner Hardin went on to further explain the importance of a low-cost spay and neuter clinic in the county and the benefits of an animal licensing program. She asked Mrs. Melton about rabies vaccination/clinic programs. Mrs. Melton responded that Animal Services will begin implementing those programs again in the near future. When citizens bring their dog or cat to the rabies clinics, their information will be taken and uploaded into the county's Chameleon system.

Commissioner Whetstine asked Mrs. Melton to explain what would happen if the repeal of the animal licensing was not approved. Mrs. Melton reminded the Board in October 2022, Commissioners removed the

implementation of fees for animal licensing. Approval would have budget implications on the county. In December 2022, the Board moved the implementation date of animal licensing from January 1, 2023, to July 1, 2023. Commissioners briefly discussed the history of animal licensing in the county dating back to the 1990s, and the purpose of having fees associated with the licensing. They agreed that a licensing system with no fees did not make sense.

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Bridges, and unanimously approved by the Board to, *approve the repeal of animal licensing.*

**AN ORDINANCE RESCINDING THE IMPLEMENTATION OF
CLEVELAND COUNTY'S REGISTRATION REQUIREMENTS FOR
COMPANION ANIMALS**

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF
CLEVELAND IN REGULAR SESSION ASSEMBLED:

The following changes are hereby made to Chapter 3, Article VII of the Cleveland County Code of Ordinances. These changes shall be considered effective on the date that this ordinance is approved by the Cleveland County Board of Commissioners. Deletions are indicated by ~~struck through red text~~.

~~ARTICLE VII. REGISTRATION OF DOGS AND CATS~~

~~Sec. 3-136. Definitions.~~

~~The following definitions apply in this section:~~

- ~~(1) Adoption center is the Cleveland County Animal Services Adoption Center.~~
- ~~(2) Board is the Cleveland County Board of Commissioners.~~
- ~~(3) Companion animals are tamed and domesticated dogs and cats that are kept by a person for company and enjoyment.~~
- ~~(4) Director is the Director of Cleveland County Animal Services.~~
- ~~(5) Department is the Cleveland County Animal Services Department.~~
- ~~(6) Nonresident or nonresidents means visiting animal owners who remain temporarily within Cleveland County for a period of thirty (30) days or less who do not intend to reside within the county permanently.~~
- ~~(7) Reserved.~~
- ~~(8) Registration tags are tags obtained from Cleveland County for the purpose of companion animal identification.~~

~~Sec. 3-137. Registration requirement for companion animals.~~

- ~~(a) Any owner who owns or keeps, in Cleveland County, a dog or cat four (4) months of age or older shall have such dog or cat registered by and in Cleveland County and shall obtain and keep a current registration tag. Each owner of a dog or cat shall obtain a Cleveland County registration tag within thirty (30) days after the dog or cat has been vaccinated against rabies. A separate registration tag shall be issued for each dog or cat. Failure to obtain the registration tag within the time frame provided herein shall be a violation of this article, and the owner of the dog or cat shall be subject to civil citation as described in section 3-29(a)(1).~~
- ~~A registration tag for a dog or cat shall consist of a tag suitable for attachment to the animal's collar or harness. The director shall design an appropriate registration tag and shall issue the tag through authorized representatives.~~
- ~~(b) Any nonresident who brings a dog or cat four (4) months of age or older into Cleveland County with the intent to reside within the county permanently shall have such dog or cat registered by and in Cleveland County within thirty (30) days after arrival.~~

The Board took a brief recess at 9:00 pm, returning at 9:05 pm.

FY 2023 – 2024 COUNTY MANAGER'S RECOMMENDED BUDGET

Chairman Gordon recognized Interim County Manager Todd Carpenter to present the FY 2023 – 2024 County Manager's recommended budget. The proposed budget is balanced and prepared on the guidelines of North Carolina General Statute Chapter 153. The recommended general fund is balanced at \$126.5MM dollars with a tax rate of 54.75 cents, a school tax rate of 14 cents, and an 8.75 cent fire tax rate. There is no recommendation for a tax increase. The FY 2023 -2024 budget was built around the Commissioner's strategic plan focus areas of citizen engagement, economic development, public safety, fiscal sustainability, and community wellness.

On May 17, 2023, a full copy of the proposed FY 2023 – 2024 budget was available for public inspection at the following locations:

- Office of the Clerk to the Board, 311 E Marion Street, Shelby (during normal business hours)
- Cleveland County Public Libraries (Boiling Springs, Kings Mountain, Lawndale, Shelby)

- Cleveland County website [2024 Recommended Budget-compressed.pdf \(clevelandcounty.com\)](https://www.clevelandcounty.com/2024-Recommended-Budget-compressed.pdf)

Mr. Carpenter concluded his presentation with the following statement, *“In accordance with the general statutes of North Carolina, I submit to you for your consideration the fiscal year 2023 – 2024 recommended budget for Cleveland County. This budget maintains a property tax rate of 54.75 cents per \$100 evaluation, along with a 14-cent school tax rate and an 8.75-cent fire tax rate. The proposed budget is balanced and was prepared under the guidelines of North Carolina General Statute §159(a)(3), the local government budget, and fiscal control act. The budget incorporates the county strategic plan and ensures focus on five main areas of citizen engagement, economic development, public safety, fiscal sustainability, and community wellness. The budget exists to accomplish the goals and priorities established by the Board and facilitates long-term use. The theme of this budget is outstanding service delivery. The focus of the budget was to forecast budget revenues and expenditures while maintaining outstanding service delivery accurately and conservatively to the citizens of Cleveland County. Strategic investments toward the funding of capital projects, education, public safety, health, and quality of life are all included in the budget. The budget includes seven new positions and a 5% cost of living adjustment. Each of these strategic investments contributes to the quality of life enjoyed by county residents. The county is experiencing growth in population, property tax, sales, jobs, and the housing industry. Staff are diligent in their efforts to bring new businesses into the community, encourage new investment and support well-established businesses.*

It is the Board of County Commissioner’s vision to deliver outstanding service to the citizens. Staff is using a data-driven approach and vicious policies to deliver on the vision and implementation of the Commissioner’s strategic planning. Department leaders and employees identify with this vision through a focus on providing a high level of customer service and the organization’s core purpose of Making Our Community Better. The leadership of the Commissioners, along with the commitment and knowledge of the employee base with the desire to continuously improve as an organization, makes Cleveland County a resilient government, one that is fiscally responsible and dedicated to improving the community and creating a better life for the residents.”

Chairman Gordon opened the floor to the Board for comments and questions. Commissioners thanked Mr. Carpenter for his leadership and hard work during the budget process.

Chairman Gordon opened the Public Hearing at 9:06 pm for anyone wanting to speak for or against the FY 2023 – 2024 County Manager’s Recommended Budget. (*Legal Notice was published in the Shelby Star on Friday, May 19, 2023 and Friday, May 26, 2023*).

Hearing no comments, Chairman Gordon closed the Public Hearing at 9:07 pm.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Bridges, and passed unanimously by the Board to ***approve the FY 2023 – 2024 County Manager’s Recommended Budget as presented.***

INTRODUCTION

May 16, 2023

The Honorable Members
Cleveland County Board of Commissioners

Dear County Commissioners,

In accordance with the General Statutes of North Carolina I submit to you, for your consideration, the Fiscal Year 2023/2024 Recommended Budget for Cleveland County. This budget maintains the property tax rate of 54.75 cents per \$100 of valuation, along with a 14 cent public school tax rate and a 8.75 cent fire tax rate. The proposed budget is balanced and prepared under the guidelines of NC General Statute Chapter 159-Article 3, the Local Government Budget and Fiscal Control Act. This budget incorporates the County's current strategic plan and ensures focus on five main areas: Citizen Engagement, Economic Development, Public Safety, Fiscal Sustainability, and Community Wellness. This budget exists to accomplish the goals and policy established by the Board and facilitates long-term strategic planning.

The theme of this budget is Outstanding Service Delivery. The focus of this budget was to accurately and conservatively forecast budgeted revenues and expenditures while maintaining outstanding service delivery to the citizens of Cleveland County. Strategic investments toward the funding of our capital projects, education, public safety, health, and quality of life are included in this budget. The budget includes seven new positions and a five percent cost of living adjustment for our most valued asset – the employees of our organization. Each of these strategic investments contributes to the quality of life enjoyed by our citizens.

Today we are experiencing growth in our population, property tax, sales tax, jobs, housing and industry. We are being diligent in our efforts to bring new business to our community and to encourage new investment from our well-established businesses. It is the Board of Commissioner's vision to deliver outstanding service to our citizens, hence the theme of this budget. We are using a data-driven approach and ambitious policies to deliver on the vision and implementation of the Commissioner's strategic plan. Department leaders and employees identify with this vision through a focus on providing a high level of customer service and our organization's purpose- Making our Community Better.

The leadership of our Board, the commitment and knowledge of our employee base, and the desire to continuously improve as an organization make us a resilient government, one that is fiscally responsible and dedicated to improving our community and creating a better life for the residents of Cleveland County.

In this book, you will find detailed budget documents for your review. In addition, this information is available to the public at www.clevelandcounty.com, in the office of the County Clerk, and in the four libraries throughout Cleveland County.

Sincerely,



Todd Carpenter, Interim County Manager

FISCAL YEAR 23/24 BUDGET

REVENUE PORTFOLIO

Cleveland County has used strategic planning for many years to develop policy and financial decision-making. The FY 2023-2024 Strategic Plan is comprised of five focus areas and then further defined with specific goals and objectives under each one.

1. Economic Development
2. Citizen Engagement
3. Public Safety
4. Community Wellness
5. Fiscal Sustainability

The County's financial planning projections for the upcoming fiscal year begin with economic forecasts that are required to establish perceived portfolio performance for the upcoming twelve months. The County's FY 2023 year-end revenues are expected to perform at more than budgeted amounts specifically due to surging sales tax collection and a stimulated construction market. Revenue forecasting was based on three principles: data driven decision making, more precise estimating, and continued diversification of revenues sources.

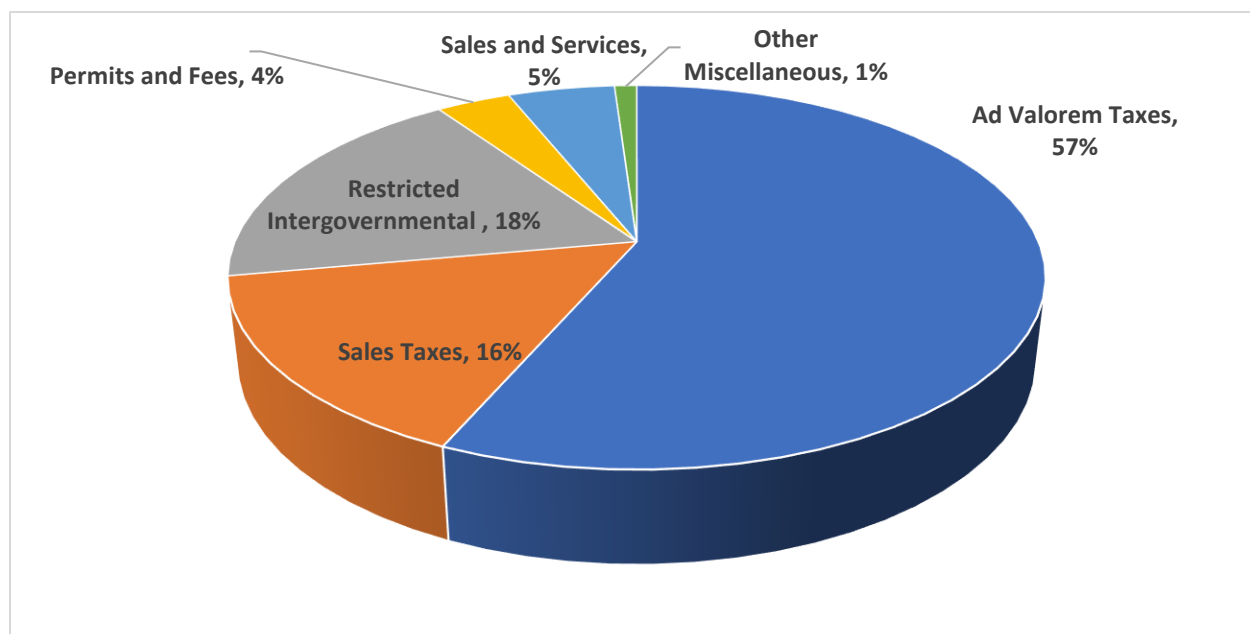
Total revenue in the General Fund is budgeted at \$134,688,653 – approximately a \$9 million increase from the prior fiscal year. The majority of this increase is associated with the consolidation of the rescue squads into Cleveland County Government along with increased debt funding for the Justice Center project. All revenue projections were established maintaining a 54.75 cent tax rate.

The chart below outlines the expected revenue increases in the FY 24 budget with the largest two increases being in property tax revenue and EMS billing revenues. Fiscal year 23/24 will recognize the revenue generated from the 2023 consolidation of Cleveland County EMS and the rescue squads.

	FY 23-24
Property Tax Base	11,279,758,989
Property Tax Revenue	61,441,547
Revenue Notes for Budget:	
Property Tax Revenue	3,600,000
Sales Tax Revenue	2,000,000
Occupancy Tax Revenue	25,000
Incentive Rolloff	500,000
Catawba Pilot Revenue	75,000
Investment Income	250,000
DSS/Health Consolidation Savings	-
Other Department Service Revenues	150,000
EMS Billing Revenues	3,000,000
Total	9,600,000

Property Tax Revenue

As noted, revenue in the 2022-2023 fiscal year is expected to come in higher than the budgeted level. As of April 2023, collections were at 97.67% or approximately \$58,317,269.



Total projected tax base for the upcoming budget is \$11.279 billion. There continues to be expected growth in motor vehicles by \$50M (5.3%). This growth is attributable to supply demand shortage and vehicle cost escalation. Personal property and state boards experienced an increase of \$271M which equates to 8.6%. This budget includes a collection rate of 98.0 % which translates to a projected net new revenue amount of approximately \$3.56M.

Sales Tax & Other NCDOR Collected Revenues

Sales tax continues to be the County's second largest revenue source. Cleveland County has experienced significant growth in sales tax revenue over the last several budget cycles. Included in this year's budget is sales tax revenue of \$15.5M. This is an increase of approximately fifteen percent compared to 2023 budgeted revenue estimates.

Occupancy Tax

Occupancy tax represents the six percent revenue share that the County receives from our hospitality partners. Over recent years, we have seen a substantial growth in this revenue area. There are many drivers behind this increase including construction of the bypass and travel/tourism growth. Cleveland County continues to look for opportunities to recruit additional hotels to the county. For the 2018-2019 fiscal year, the County received slightly over \$430,000. In FY 20 and 21, the county saw a decrease, due to the effect of Covid-19. Occupancy tax has continued to rebound. The forecast for 2023-2024 will be budgeted at \$450,000.

Inspection Fees

Inspection fee revenues increased in preceding years due to pent up demand after the recession. We anticipate activity to continue in the coming years with prospective housing projects and continued economic development activity. The budget has a measured estimate of \$400,000.

Investment Income

Investment income is a barometer of strategic use of un-allocated resources. Staff are constantly evaluating 60, 90, & 120-day cash flow needs to maximize the investment portfolio. As a result of strategic management and increasing rates, investment income grew approximately **1000%** between 2014-2021 (\$84,000 - \$1,000,000).

Last fiscal year, investment revenues shifted down significantly. The projected investment income for the year-end 2023 is expected to be \$250,000. With positive changes in the market, we are budgeting the FY 24 investment income at \$500,000.

Federal and State Revenues

Federal and State revenues are predominantly located in the health and human services portion of the budget and are often based on prescribed expenditure reimbursement rates. Due to the reimbursement nature of DHHS funding and matching requirements, one component of DHHS funding is the County's contribution requirement. The county contribution (\$10.5M) coupled with the federal and state revenue received (\$22.4M) equal to a total budget allocation for Health and Social Services of approximately \$32.9M.

Other Revenues

Also included in the FY 24 budget are incentive roll-offs in the amount of \$500,000. These roll-offs include Greenheck, T5 @KMII, Hampton Inn and Disney. Over the next three years, Cleveland County will continue to see additional revenue from large incentive roll-offs.

Another area we are expecting to see increased revenues is in PILOT (Payment in Lieu of Taxes) payments from the Catawba Indian Nation. In January 2020, Cleveland County entered into an interlocal agreement with the Catawba Indian Nation. In the FY 24 budget, we are budgeting an additional \$75,000 in revenue generated from Two Kings Casino.

FY 2023 Revenue Summary

Description	Amount	2020-2021	2021-2022	2022-2023	2023-2024
Ad Valorem Taxes	57%	67,750,354	71,471,419	72,495,459	76,171,624
Sales Taxes	16%	13,901,250	15,293,750	18,000,000	21,000,000
Restricted Intergovernmental	18%	22,212,353	22,822,790	24,483,197	24,582,752
Permits and Fees	4%	4,730,302	4,606,350	4,555,960	4,726,504
Sales and Services	5%	6,943,906	5,274,592	5,414,942	6,790,500
Other Miscellaneous	1%	1,398,353	1,087,771	1,637,950	1,417,273
		116,936,518	120,556,672	126,587,508	134,688,653

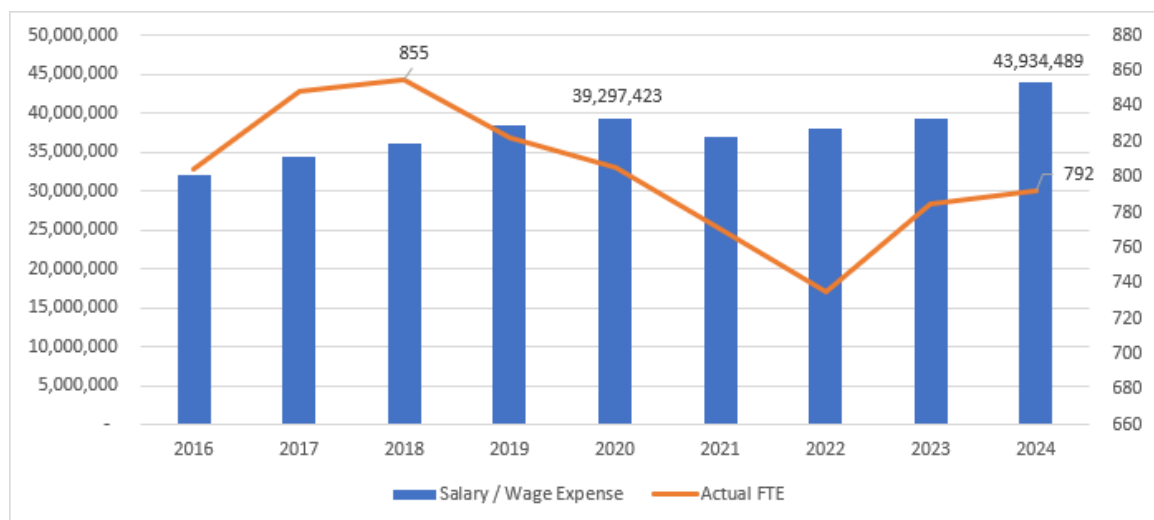
EXPENDITURE PORTFOLIO

Budgeted Expense & Commissioner Goals

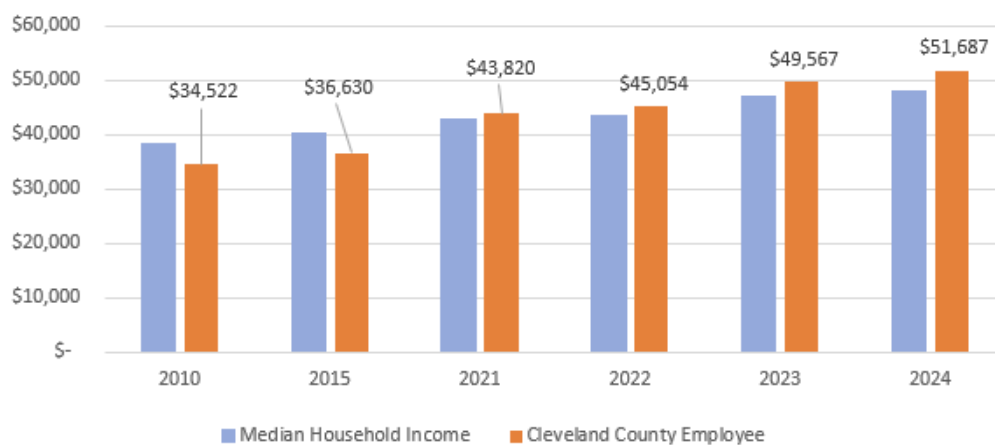
Human Capital

There is and has been a looming government workforce crisis and it has not been on the radar for many organizations. Like the housing market, the great recession created a supply and demand shortage for local government talent. Tenured employees were hesitant to retire, preventing the natural escalation of the generation behind them and further preventing the hiring of newer incoming talents. Many of the services we provide require specialized training and advanced degrees to perform critical services.

Cleveland County strives to be an employer of choice. On average, employees receive a benefit package that represents 25-35% of their total annual salary. The total budgeted salary and wage expense for FY 2024 is \$43,934,489 which equates to an average wage of \$51,687. We recognize that to compete for and retain a highly talented workforce that our wages must be competitive.



Employee Compensation



Included in the 2024 fiscal year budget is a recommended approach to employee pay that is inclusive of a 5 % COLA. The FY 2024 budget will continue our performance-based pay program. The model replicates the previous year and allows a collective organizational wide performance model. If accomplished, this model creates fiscal savings for the organization that are then re-invested through a performance bonus to the employees – the target for 2024 is three percent (3%). The bonus would be awarded twice during the year on September 15th and March 15th.

Included in the FY 24 budget are also improvements to the county’s dental plan. The improved plan will move from three tiers to two tiers and include an increase in annual reimbursement of \$170.00. This increase should cover preventative care 100%. This increase in benefit will have a minimal budgetary impact of \$30,000.

Focus Area – Fiscal Sustainability

Since 2014, it has been a continued goal of the County Commissioners to increase the County’s fund balance to the 20% level. Due to intentional budget management, service re-design, and expenditure re-engineering, FY 2022 ended with a fund balance of 21.7%. Fund Balance projections for the FY 2023 year-end are still in process, however, we are confident that our fiscal strategies will maintain a greater than 20% per policy level. The FY 2024 budget was built with this policy in mind.

Capital Planning and Debt Service

Included below is a chart detailing several major capital projects we are working on. Projects are identified and then aligned with proper funding resources. This type of policy direction and support from the Board of Commissioners is greatly appreciated by staff and recognized as true fiscal sustainability.

Board of Elections	New Board of Elections Building	\$750,000	Capital Reserve Fund
LeGrand Light/AV Upgrade	Replacement of lighting and AV Equipment	\$625,000	Capital Reserve Fund
Information Technology Strategic Plan	Creation of first ever IT Strategic Plan focused on advancing synchronization and developing a clear IT vision	\$550,000	Capital Reserve Fund
911/Emergency Operations Center	911 and Emergency Operations Center to be housed on Red Cross Campus	\$8,000,000	Capital Reserve Fund Grant Funding
Randolph Road Shell Building	Shell Building IV new construction	\$8,500,000	Debt Funding City of Shelby to pay 1/2 of cost
Health/DSS Co-location	Renovations at Health Department to co-locate Health and DSS	\$3,500,000	Debt Funding
Justice Center Campus	Jail, Courthouse, Sheriff's Office New Construction	\$150,000,000	Debt Funding State Grant Pay as you go
Total Capital Expenses		\$171,925,000	

As recently as 2017, Cleveland County received a bond rating upgrade from S&P/Moody’s and is now AA+. This ranks in the top 15% of all counties in the State. This has proven critically important as we have remained aggressive in economic development with shell building financing and with Master Facility Plan improvements.

Debt service management is another vital part of long-term planning and sustainability. As of June 30, 2023, the County will have approximately \$48,643,399 in outstanding debt obligations. Of this \$48.6M, due to strategic management and innovative planning, the County General Fund is only responsible for 43.6% of that amount. Cleveland County Schools debt responsibility accounts for \$19,766,616, or 40.6% of the total outstanding. The City of Shelby and Cleveland Community College account for the remaining 15.8%. At this time, 99.5% of the County’s debt will be completely liquidated over the next 10 years.

Focus Area – Economic Development

Included in the Economic Development Focus Area are:

1. Recruitment and Execution of National Shooting Competition Hosted by Foothills Public Shooting Complex
2. Intentional Support of Agriculturally Based Economic Development
3. Further Product Development for Shell Building Program and Land Acquisition
4. Sustainable Partnership with Cleveland County Fair Association

Cleveland County Commissioners continue to see the importance of Economic Development and the recruitment of industry. Workforce development along with product development continues to be the primary focus for long-range success.

In FY 23, Cleveland Community College opened a new advanced manufacturing center. This new community asset will provide critical job training infrastructure that will continue to promote a business-friendly environment and make Cleveland County an attractive place for industry expansion and location. Included in the FY 24 budget is an additional \$250,000 in funding to support the community college. The total funding allocation to Cleveland Community College in the FY 24 budget is \$3,308,872.

The County has budgeted \$164,500 to the Cleveland County Economic Development Partnership for recruitment of new and expansion of existing business in Cleveland County. Shell Building IV has been completed and CCEDP has seen increased interest and has hosted several company visits in the last few months.

This year will be the second year Cleveland County Government will partner with the Fair Association through implementation of a performance contract approved in 2022. This budget includes an allocation of \$162,500. One Hundred Thousand to be used for capital, with the remaining \$62,500 will assist with operations. The Fair Association and Cleveland County have partnered to hire consultants who will complete a finance/operations assessment and a facility needs assessment at the Fairgrounds.

The Foothills Public Shooting Complex continues to see an increase in the number of visitors. This facility is positioned to provide a long-term regional travel/tourism draw for Cleveland County. The Complex hosted several tournaments during this past year and has plans of expanding those efforts.

Focus Area – Community Education / Customer Service

During FY 2018, the Board of Commissioners began a community cleanup initiative that was aimed at reducing litter in Cleveland County. The program was highly successful and will be continued in the current budget. It has included the involvement of local partners and a marketing campaign that engages the local school system. The 2024 fiscal year budget includes a budget appropriation of \$40,000 to provide resources for this project. The team at the Landfill will be partnering with Soil and Water Conservation to bring education about litter into Cleveland County Schools.

This Board continues to make a commitment to citizen engagement and transparency. Live streaming of commissioner meetings is a newly added service that will continue in the 2024 budget. The County, through the hiring of a Marketing and Communications Director, continues to advance our efforts to keep the citizens educated about the services we provide.

Another exciting customer service enhancement as part of the 2024 fiscal year budget is a multi-year engagement to provide advanced GIS imaging, including street level images. This software also integrates with our tax software to help identify discrepancies between tax details and structural changes. The budget allocation for FY 2024 is \$81,933.

Focus Area – Community Wellness

The Commissioners have identified several key initiatives specific to promoting and improving community wellness with the top being an intentional focus on actively engaging in the fight against the opioid epidemic. Included under the Community Wellness Focus Area are:

1. Improvement in Community Health Rankings
2. Effective Use of Opioid Settlement Funds
3. Expansion of Existing Trail Systems & Exploration of New Opportunities

Our team is excited about the opportunity to re-engage our focus on community health and re-focus on improving our metrics. Cleveland County remains outside the top 80 in County population health. The primary driver to that ranking remains premature death. Chronic disease such as diabetes, cardiovascular disease, and substance abuse are among the leaders in the premature death category. Almost one-third of our county residents are diabetic or pre-diabetic. Our county’s stroke rate is 80 per 100,000 (which is double the state average) and our overdose rankings are unproportionally high.

One of the biggest obstacles to disease management is access to primary care. On May 15, 2023, through a grant from the State of NC, the County will launch a primary care clinic in Cleveland County. The clinic will accept private insurance, Medicare, and Medicaid, and will offer services to uninsured individuals on a sliding fee scale based on household income and number of people living in the household. The Care for Cleveland Clinic will be impactful in creating access to care for the nearly 14,000 uninsured residents in Cleveland County. The county has also purchased a mobile screening bus that will travel to underserved areas of the county to perform preventive screenings such as blood pressure, A1c (blood sugar), and cholesterol. Individuals who need follow-up care based on their results can be referred to primary care at the Care for Cleveland Clinic. In addition, Atrium recently announced a weekly mobile primary care unit which will be housed at Washington Outreach Ministry, as well as a virtual clinic in the Town of Kingstown.

Health & Human Services

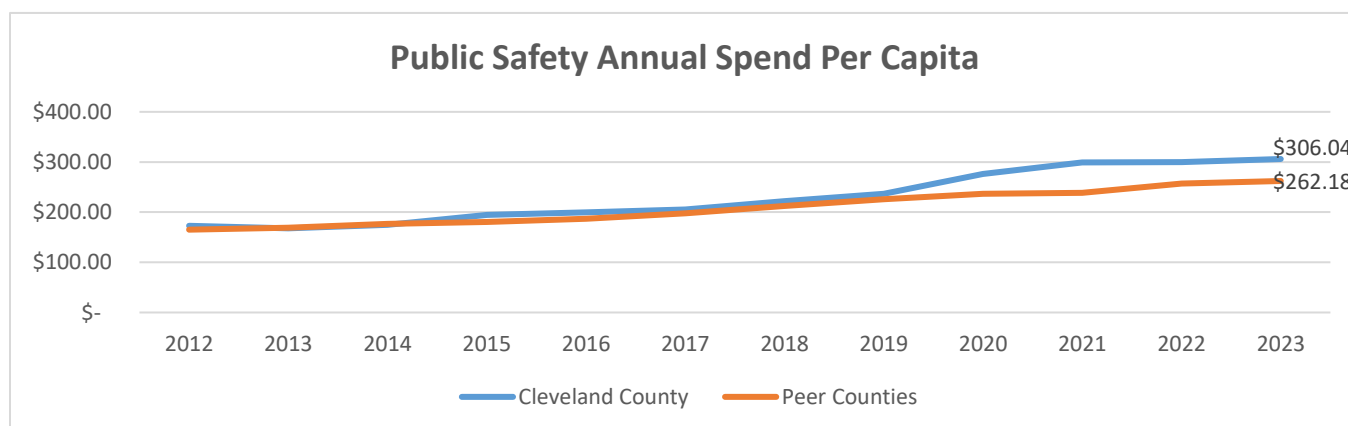
The overall appropriation of local funding for the Department of Social Services (DSS) will be \$8,305,684 – this represents approximately 37.6% of DSS total \$22,078,481 budget, with the remaining budget being state funds. This local allotment is comparable with our LGC peer counties. This represents a moderate increase from the prior year of \$429,363. The driver for the 2024 fiscal year increase is almost totally related to personnel costs. There are additional anticipatory costs budgeted associated with full migration to tailored Medicaid plans, the re-engagement of client interaction, back logs of economic services certifications, and the recognition that a growing portion of our community is reliant upon these services.

The overall appropriation of local funding for the Public Health Department will be \$2,205,843 – this represents approximately 20.2% of the total \$10,915,525 operating budget. This represents a decrease from the prior year of \$143,258. The Public Health Department continues to lead the charge on improving the County’s health ranking and educating citizens on the importance of community wellness. The Public Health Department has approximately 104 FTEs.

Potentially the biggest impact on the Human Services for the upcoming fiscal year is not associated with any particular program or policy. The co-location of these two critical departments will be a daily reminder and testament to the cultural change in our organization. This performance based, non-siloed, ODI (Organization/Department/Individual) cultural mindset is the single most important and measurable deliverable that our leadership team is responsible for. The co-location project is founded in capital cost avoidance (>\$15MM), reduction of administrative overhead costs (+/- \$500k annually), and further leveraging State reimbursement opportunities (+/- \$300k annually). Since indirect cost reimbursement from the state is calculated based on a prior year, many of the budget savings will not be recognized until the FY 24/25 budget.

Focus Area – Public Safety

The total public safety budget for Cleveland County in the 2023-2024 budget is \$34,969,649 and includes the Sheriff’s Department, Detention, EMS, Emergency Management, and E-911 communications. The most significant impact from last fiscal year is the system alignment with the three (3) rescue squads. The increase in expenses is, however, balanced with the increases in revenues budgeted in EMS.



The FY 2024 budget will be the final year of payment for an EMS fleet full replacement of nine ambulances. Ambulances were received in FY 2020-2021. This strategic methodology of full replacement lease is a first for Cleveland County Government and will provide the needed confidence in rolling stock assets. The 2024 capital lease cost is slightly over \$500,000.

Operational Highlights

The Cleveland County Register of Deeds, Betsy Harnage, is working on her sixth-year processing and administering passport applications with overwhelming success. This is only being done in a few Registers offices across the State and we applaud this office for offering a new service to the citizens of Cleveland County. This service is being offered as a result of the hard work and innovative ideas of that office. This area has seen an increase in revenues in the FY 23 budget. The FY 24 budget in the Register of Deeds includes a (1.5%) decrease in expenditures.

The Human Resources Department continues to work to support an atmosphere that promotes workplace engagement, employee wellness, and a high performing culture. Included in the 2024 budget is continued funding of \$75,000 for an organization-wide employee training and development program. This includes \$50,000 for a learning management system (LMS) and an additional \$25,000 for Co-hort based trainings.

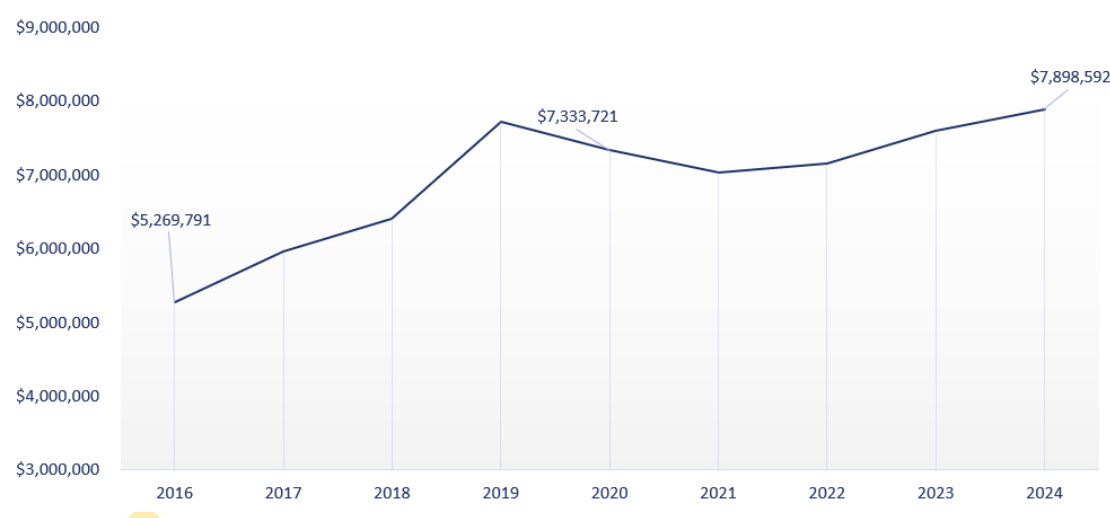
Technology will continue to be a focus for our organization. Our 2025 technology plan captures three primary components: Automation, Data Security, & Customer Interface. Included in the budget for FY 2024 is \$825,000 for Information Technology (IT) planning and capital. An IT strategic plan was completed in FY 23. Implementation of the plan will be studied as part of the FY 24 budget.

County Wellness

Governments across the State are reporting average health care cost increases of 10-15% for Employee Health Insurance. Included in the 2024 budget, Cleveland County is expecting a 6% employer increase in health care premiums. Employee healthcare is paid by Cleveland County at 100%. Spouse and dependent coverage will remain flat for the 14th consecutive year.

Monthly premiums for employees covered under the plan will increase from \$1,030 to \$1,100 which has an organizational cost of \$714,000. This increase will be absorbed by the County General Fund. Our team is pleased with the continued momentum of managing our health costs with offsetting investments in our workforce. The FY 24 budget includes continuation of disease management programs, YMCA benefits, and improved long-term disability. The low increase in healthcare premiums compared to governments across the state is indicative of our employees' commitment to wellness.

Employee Wellness Claims Costs



Recommended Staffing Plan

The County Executive Leadership team will remain committed to two points of emphasis in managing the staffing plan for the upcoming fiscal year.

- A.) Position Justification – A formal and data driven review of each vacant position in the organization as it is vacated. The review includes analyzing the potential for cross departmental sharing, technology savings and attrition.
- B.) Position Re-Classification - This represents an intentional effort to maximize each FTE position within County government. Our team recognizes that business and service delivery expectations change and that our team should look for opportunities to align current resources with the most appropriate need.

The recommended budget does include the addition of seven FTEs. As our community is growing, the Commissioner's strategies change and become more robust. As market conditions change, it is critical to be prepared to make equitable adjustments to our staffing plan. In instances in which position re-classification is not available, we must add additional resources. The additional positions are listed below.

- 1.) Victim Specialist – Cleveland County has a Victim Specialist who was hired through a grant. Cleveland County has seen the positive impact this position has had on the community and is recommending a full-time position be created.
- 2.) Sheriff's Office – 4 Deputy Sheriffs will be added to the patrol division. These Patrol Deputies are needed to add one more officer per shift to assist in decreasing the zone size each Deputy is responsible for and to improve response times to calls.
- 3.) Shooting Range Office – As the visitor count continues to increase at the shooting range, this position will support the Range Director and existing office staff.

- 4.) Mechanic – In FY 23, Cleveland County brought EMS vehicle maintenance in-house. This re-engineering has proved to be beneficial in both cost as well as vehicle turnaround time. This position is intended to support this added service.

Cleveland County Public Schools

The 2023 county allocation budget totaled \$31,537,740. The County allocation for the upcoming 2024 budget will be \$32,437,740. This represents an increase of 900K for teacher supplements. As noted, the recommend tax rate for the school system will remain at fourteen cents.

	<u>Cash Flow Sent To CCS</u>	<u>Cash Flow Sent To CCS</u>	<u>Cash Flow Sent To CCS</u>
	<u>FY 21-22</u>	<u>FY 22-23</u>	<u>FY 23-24</u>
Property Tax Revenue	\$ 12,797,497	\$ 12,797,497	\$ 12,797,497
NCVTS Tax Revenue	1,187,648	1,187,648	1,187,648
Sales Tax Revenue	4,162,217	4,162,217	4,162,217
Local Operational Appropriation	10,250,000	10,250,000	10,250,000
Local Capital Appropriation	1,400,000	700,000	700,000
State Restricted Capital Appropriation	700,000	700,000	700,000
Commissioner Escrow (Teacher Supplements)	-	1,740,378	2,640,378
	\$ 30,497,362	\$ 31,537,740	\$ 32,437,740

Cleveland County VFD

The County Fire Service Districts tax rate will remain the same with a consistent rate of 8.75 cents per \$100 of property valuation for all County Fire Districts. The tax rate provides all funding for personnel, operations, and capital for the 12 fire districts in Cleveland County. The budget team has worked closely with the County Fire Commission to forecast future needs and provide appropriate resources to ensure proper coverage limits for Cleveland County citizens. The total allocation is approximately \$5.5M.

	<u>FY 22-23</u>		<u>FY 23-24</u>					<u>Annual Change</u>	<u>Monthly Change</u>
	<u>Total FY 22-23</u>	<u>Annual Capital</u>	<u>Personnel Budget</u>	<u>Operations Allotment</u>	<u>Percentage Allocation</u>	<u>Total FY 23-24</u>	<u>from PY</u>	<u>from PY</u>	
Bethlehem	\$537,779	15.38%	\$115,000	\$180,000	\$200,000	\$84,616	\$579,616	\$41,837	\$3,486
Boiling Springs	\$497,875	7.48%	\$115,000	\$180,000	\$200,000	\$41,131	\$536,131	\$38,256	\$3,188
Casar	\$498,712	7.63%	\$115,000	\$180,000	\$200,000	\$41,954	\$536,954	\$38,242	\$3,187
Cleveland	\$540,102	15.82%	\$115,000	\$180,000	\$200,000	\$87,024	\$582,024	\$41,922	\$3,493
Fallston	\$513,477	10.56%	\$115,000	\$180,000	\$200,000	\$58,106	\$553,106	\$39,629	\$3,302
Grover	\$472,260	3.69%	\$115,000	\$180,000	\$200,000	\$20,299	\$515,299	\$43,039	\$3,587
Oak Grove	\$525,952	13.02%	\$115,000	\$180,000	\$200,000	\$71,595	\$566,595	\$40,643	\$3,387
Polkville	\$502,797	8.45%	\$115,000	\$180,000	\$200,000	\$46,480	\$541,480	\$38,683	\$3,224
Shanghai	\$495,125	6.92%	\$115,000	\$180,000	\$200,000	\$38,083	\$533,083	\$37,957	\$3,163
Waco	<u>\$515,921</u>	11.04%	<u>\$115,000</u>	<u>\$180,000</u>	<u>\$200,000</u>	<u>\$60,712</u>	<u>\$555,712</u>	<u>\$39,792</u>	<u>\$3,316</u>
	\$5,100,000	100.00%	\$1,150,000	\$1,800,000	\$2,000,000	\$550,000	\$5,500,000	\$400,000	\$33,333

Solid Waste Department

As mentioned, the FY 24 budget includes the continuation of the litter prevention and cleanup program. This includes allocating \$1 per ton of Municipal Solid Waste to litter prevention. This budget also includes a 3% increase in tipping fees, as part of a 10-year rate stabilization metric. Rate stabilization is required to prepare for costs associated with additional cells and post-closure.

In FY 22, the County implemented a pilot Citizen Recognition System program at our manned-site locations. In FY 24, this program will be discontinued.

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, 2023 and ending June 30, 2024 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.

		\$ 176,304,238	
		(20,390,221)	\$ 155,914,017
Primary		\$ 103,934,333	
		(4,884,158)	\$ 99,050,175
<u>Ad Valorem Tax:</u>	Current Year		
	(54.75 Cents per \$100 value) X (\$11,279,758,989 total value) X (98.0% collection)	\$ 60,521,547	
	Prior Years	625,000	
	Advertising/Penalties	295,000	
<u>Other Taxes:</u>	Sales Tax		
	1 Cent (Article 39)	8,990,000	
	Two 1/2 Cents (Art 40 & 42)	6,510,000	
	Occupancy Tax	450,000	
	Heavy Equip Tax	25,000	
	Vehicle Lease Tax	50,000	
	Excise Stamps Tax	700,000	
<u>Intergovernmental:</u>	NC Telecommunications Surcharge	290,000	
	NC Grants-Third Party (Pass-Thru)	324,563	
	NC Grants-Third Party (Pass-Thru) COPS	155,335	
	NC Grant--J.C.P.C. Admin.	15,500	
	NC Court Arrest Fees-Sheriff	25,000	
	NC Forfeited Property-Sheriff	50,000	
	NC Housing of State Prisoners-Jail	225,000	
	NC Housing Inmate - SSA	8,000	
	NC Court Fees-Jail	75,000	
	NC License Revocation-Jail	6,000	
	NC DOT Grant (Pass-Thru to TACC)	175,000	
	NC Grant-Soil Conservation Match	25,600	
	NC Grant-State Aid to Libraries	140,000	
	JCPC Grant-Cleveland County Schools (Pass Thru)	40,000	
	Schools: School Resource Officers	782,780	
	Shelby: Payment in Lieu of Taxes	300,000	
	Other Various Sources	16,000	
<u>Permits/Fees:</u>	Register of Deeds	650,000	
	Sheriff	252,300	
	Inspections	400,000	
	Planning & Zoning	20,950	
<u>Sales/Services:</u>	Rents	3,080,000	
	Municipal Tax Collection	400,000	
	Municipal Elections	132,773	
<u>Sales/Services:</u>	Local Fees & Medicaid		
	Emergency Med Serv	7,000,000	
	Electronic Maintenance	104,000	
	Travel & Tourism	60,000	
	Animal Control	164,500	
	Cooperative Extension	20,000	
	County Library System	19,000	
	Public Firing Range	423,000	
<u>Interest:</u>	Interest on Investments	500,000	
<u>Miscellaneous:</u>	ABC Per Bottle & Profit Distribution	145,000	
	Sale of Used Assets	29,500	
	Vending/Payphone Commissions	295,000	
	Contributions & Donations (Library)	46,000	
	Other Miscellaneous	143,800	
<u>Other Sources:</u>	S/W Landfill Fund (Transfer)	1,346,280	
	School Capital Reserve Fund (Transfer)	3,440,378	
	Social Service Fund (Transfer)	97,500	
	Fund Balance Appropriated	4,263,027	
	Mental Health Appropriation	81,000	
		\$	103,934,333
<u>Social Services & Public Assistance</u>			
	Less Transfers In:	22,078,481.00	
	Grants-Federal and State Govts	13,720,727.00	(8,305,684.00)
	Local Fees	52,070.00	
	Primary Fund (Transfer)	8,305,684.00	13,772,797
<u>Public Health</u>			
	Less Transfers In:	10,915,525	8,709,682
	Grants-Federal and State Govts	1,840,625	(2,205,643)
	Local Fees & Medicaid	4,887,622	
	Primary Fund (Transfer)	2,205,643	
	Fund Balance Appropriated	2,001,435	
<u>Employee Wellness</u>			
	Less Transfers In:	2,475,901	191,700
	Local Fees	191,700	(2,284,201)
	Health Insurance Fund (Transfer)	2,284,201	
<u>Court Facilities</u>			
	Less Transfers In:	461,977	123,000
	Departmental Fees	123,000	(338,977)
	Primary Fund (Transfer)	338,977	
<u>School Property Taxes</u>			
	Ad Valorem Tax: Current Year		21,030,829
	(14.0 Cents per \$100 value) X (\$11,279,758,989 total value) X (98.0% collection)	15,475,829	
	Interest on Delinquent Tax	55,000	
	Sales Tax	5,500,000	
<u>Other Taxes:</u>			
<u>LeGrand Conference Center</u>			
	Less Transfers In:	910,847	220.00
	Fees, Beverage Sales	220,000	(690,847)
	Primary Fund (Transfer)	690,847	
<u>Workers' Compensation / Property & Liability Insurance</u>			
	Less Transfers In:	1,891,111	210,600
	Interest on Investments/Other	210,600	(1,680,511)
	Primary Fund (Transfer)	1,265,710	
	Social Services Fund (Transfer)	117,800	
	Other Funds (Transfer)	297,201	
<u>Health / Dental Insurance</u>			
	Less Transfers In:	12,605,234	12,414,234
	Fund Balance Appropriated	954,234	(191,000)
	Primary Fund (Transfer)	191,000	
	Dental Premiums	240,000	
	Health Premiums	11,220,000	

B. SPECIAL REVENUE FUND ESTIMATED REVENUES			9,495,379	\$	9,495,379
		Less Transfers In:	-		
<u>Emergency Telephone</u>					
	E911 Subscriber Fees	177,188	1,384,929		1,384,929
	Other Revenues	10,000			
	Fund Balance Appropriated	1,197,741			
<u>County Fire Service District</u>					
	Ad Valorem Tax: Current Year (8.75 Cents per \$100 value) X (\$4,596,007,261 total value) X (98.0% collection)	3,941,076	5,730,450		5,730,450
	Other Revenues	1,730,374			
	Fund Balance Appropriated	50,000			
<u>Representative Payee Fund</u>					
	DSS Trust	305,000	1,180,000		1,180,000
	Inmate Trust	875,000			
<u>Fines & Forfeiture Fund</u>					
	Fines & Forfeitures	1,200,000	1,200,000		1,200,000
C. DEBT SERVICE FUND ESTIMATED REVENUES			11,669,503	\$	1,977,044
		Less Transfers In:	(9,692,459)		
<u>Debt Service</u>					
	Other Revenues - Federal	254,626			
	Other Unit's Share of Expenditures	1,722,418			
	Primary Fund (Transfer)	6,885,121			
	School Capital Reserve Fund (Transfer) - PSCBF	600,000			
	School Capital Reserve Fund (Transfer)	2,207,338			
D. CAPITAL PROJECT FUND ESTIMATED REVENUES			14,042,866	\$	6,878,706
		Less Transfers In:	(7,164,160)		
<u>Capital Projects</u>					
	Capital Reserve Fund (Transfer)	2,500,000	2,500,000		-
<u>County Capital Reserve</u>					
	County Funds/County Reserve (Transfer)	2,500,000	4,400,000		1,900,000
	Fund Balance Appropriated	1,900,000	(2,500,000)		
<u>School Capital Reserve</u>					
	Sales Tax: Two 1/2 Cents (Art. 40 & 42)	4,378,706	7,142,866		4,978,706
	Grants-Public School Bldg. Cap. Fds.	600,000	(2,164,160)		
	Primary Fund/Schools (Transfer)	2,164,160			
E. ENTERPRISE FUND ESTIMATED REVENUES			12,066,412	\$	12,066,412
		Less Transfers In:	-		
<u>Solid Waste Landfill</u>					
	Grants and Shared Taxes-State Govt	585,000	12,066,412		12,066,412
	Local Fees and User Fees	6,502,500			
	Sale of Recyclables/Other	3,008,836			
	Fund Balance Appropriated	1,970,076			
SECTION I TOTAL (TOTAL FUND ESTIMATED REVENUES)			223,578,398		186,140,558
		Less Transfers In:	(37,437,840)		

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.

A. GENERAL FUND APPROPRIATIONS			176,304,238		
		Less Transfers Out:	(27,046,643)		149,257,595
<u>General Government</u>					
			54,610,090		30,133,707
		Less Transfers Out:	(24,476,383)		
	10.411 Commissioners (Governing Body)	480,330			
	10.412 County Manager's Office	1,349,802			
	10.413 Finance/Purchasing	1,473,669			
	10.415 Property Tax Administration	2,302,549			
	10.416 Legal/County Attorney	617,581			
	10.418 Elections	661,541			
	10.419 Register of Deeds	739,163			
	10.421 Information Technology	1,581,141			
	10.422 Travel & Tourism	298,537			
	10.423 Human Resources	1,306,709			
	10.426 Building Maintenance	2,147,127			
	10.427 Facilities Janitorial	173,910			
	10.428 Municipal Elections	132,773			
	10.430 Municipal Grants	147,048			
	10.432 Grants--Third Party (Pass Thru)	324,563			
	10.433 Grant--J.C.P.C. Administration	15,500			
	10.439 Grant--COPS Grant Program	348,872			
	10.613 Communities in Schools - County Match	57,870			
	10.619 ROD Automation E & P	75,000			
	10.981 Transfers Out To:				
	Social Services	8,305,684			
	Public Health	2,205,843			
	Courts	338,977			
	Workers' Comp. / Property & Liability	1,265,710			
	Debt Service	6,885,121			
	Capital Reserve	2,500,000			
	Conference Center	690,847			
	10.998 Emergency & Contingency	750,000			
	13.660 Employee Wellness	2,475,901			
	14.417 Court Facilities	481,977			
	60.650 Workers' Compensation	752,175			
	60.651 Property/Liability	1,138,936			
	65.981 Employee Medical Insurance	10,081,033			
	65.981 Employee Medical Insurance (Tr Out)	2,284,201			
	66.661 Employee Dental Insurance	240,000			
<u>Public Safety</u>			39,821,801		
	10.440 School Resource Officers	1,119,127			
	10.441 Sheriff	12,580,255			
	10.443 Forfeited Property--State	50,000			
	10.444 Detention Center/Jail	8,340,890			
	10.445 Emergency Management	541,514			
	10.446 Emergency Medical Services	11,593,683			
	10.448 Communications	1,855,692			
	10.449 Electronic Maintenance	1,049,476			
	10.450 Building Inspections	520,103			
	10.451 Coroner	65,000			
	10.453 Hazardous Materials	12,900			
	10.542 Animal Services	2,093,161			

<u>Economic & Physical Development</u>			4,430,181	4,430,181
10.491	Planning & Zoning	688,086		
10.492	Economic Development/Tourism	3,052,078		
10.495	Cooperative Extension	396,094		
10.496	Forestry Management	95,698		
10.498	Soil Conservation	200,225		
<u>Transportation</u>			223,965	223,965
10.497	Transportation Admin. of Clev. Cty.	223,965		
<u>Human Services</u>			33,864,297	33,458,197
			(406,100)	
10.560	Mental Health (Pathways)	552,000		
10.591	Veterans' Service Officer	149,959		
10.617	Council on Aging (Senior Center)	168,332		
11.000	Social Svcs. & Public Asst.	21,672,381		
11.000	Transfers Out To Other Funds	406,100		
12.000	Public Health	10,915,525		
<u>Education</u>			38,745,079	36,580,919
			(2,164,160)	
10.600	Cleveland County Schools			
	Current Expense	10,250,000		
	Capital Outlay	700,000		
	Capital Outlay - Special Allocation	700,000		
	Teacher Supplements/Other operational	2,640,378		
	JCPC Early Intervention Grant (Pass Thru)	40,000		
10.604	Cleveland Community College			
	Utilities/Maint Bldg-Grounds	75,000		
	Current Expense	3,308,872		
20.600	School Property Taxes	18,866,669		
	School Capital Reserve (Transfer)	2,164,160		
<u>Cultural</u>			3,444,773	3,444,773
10.611	Libraries			
	County Library System	1,215,921		
	Other Libraries	85,500		
10.612	Recreation	121,050		
10.614	Historic Artifacts	95,400		
10.470	Public Shooting Range	1,016,055		
55.480	LeGrand Center	910,847		
<u>Debt Service (small lease purchase agreements)</u>			1,164,052	1,164,052
10.600	Debt Service	1,164,052		
<u>B. SPECIAL REVENUE FUND APPROPRIATIONS</u>				
			Less Transfers Out:	-
<u>Public Safety</u>			9,495,379	9,495,379
			Less Transfers Out:	-
26.454	Emergency Telephone	1,384,929		
28.452	Volunteer Fire Departments	5,730,450		
<u>General Government</u>				
70.706	DSS Trust	305,000		
70.744	Inmate Trust	875,000		
71.741	Fines & Forfeitures	1,200,000		
<u>C. DEBT SERVICE FUND APPROPRIATIONS</u>			11,669,503	11,669,503
<u>Debt Service</u>			11,669,503	11,669,503
30.800	Debt Service	11,669,503		
<u>SECTION II. FUND APPROPRIATIONS.</u>			(continued)	
<u>D. CAPITAL PROJECT FUND APPROPRIATIONS</u>			14,042,866	5,295,150
			Less Transfers Out:	(8,747,716)
<u>Capital Projects</u>			14,042,866	5,295,150
			Less Transfers Out:	(8,747,716)
40.210/225	County Capital Projects	2,500,000		
41.209	County Capital Reserves (Transfer)	2,500,000		
41.209	Capital Reserves - Capital Plan	1,900,000		600,000
42.105	Public School Capital Fund (Transfer)	5,647,716		
42.105	Public School Capital Reserves	895,150		
42.107	Public School Capital Fund (Transfer)	600,000		
<u>E. ENTERPRISE FUND APPROPRIATIONS</u>			12,066,412	10,422,931
			Less Transfers Out:	(1,643,481)
<u>Environmental</u>			12,066,412	10,422,931
			Less Transfers Out:	(1,643,481)
54.473	Solid Waste Disposal	7,130,495		
54.473	Transfers Out To Other Funds	1,643,481		
54.474	Solid Waste Collections	3,292,436		
<u>SECTION II TOTAL (TOTAL FUND APPROPRIATIONS)</u>			223,578,398	186,140,558
			Less Transfers Out:	(37,437,840)

SECTION III. PROPERTY TAX RATES. The County-wide property tax rate shall be 54.75 cents per \$100 valuation for purposes of the General Fund and 14 cents per \$100 valuation for purposes of the School Property Taxes Fund; thus, the combined County-wide property tax rate shall be 68.75 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 departments as long as the Total Fund Estimated Revenues and Total Fund Appropriations remain at the level, including all subsequent 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 remaining for outstanding purchase order encumbrances, unspent grants, unspent donations, and other ongoing projects as determined by the Finance Department.

CLOSED SESSION

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Whetstine and unanimously adopted by the Board, *to go into closed session per North Carolina General Statute §143-318.11(a)(4) to discuss economic development matters relating to the location or expansion of industries or other businesses in the area served by the Cleveland County, including an agreement on a tentative list of economic development incentives*

that may be offered by the County in negotiations. (Copy of closed session Minutes are sealed and found in the Closed Session Minute Book).

RECONVENE IN REGULAR SESSION

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

Chairman Gordon stated, “*During the closed session, the Board took action under North Carolina General Statute §143-318.11(a)(4) regarding an economic development matter and gave direction to staff.*”

ADJOURN

There being no further business to come before the Board at this time, Commissioner Hardin made a motion, seconded by Commissioner Bridges and unanimously adopted by the Board, ***to adjourn.*** The next meeting of the Commission is scheduled for ***Tuesday, June 20, 2023 at 6:00 pm*** in the Commissioners’ Chambers.

*Kevin Gordon, Chairman
Cleveland County Board of Commissioners*

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