

**OXFORD, NORTH CAROLINA**  
**May 18, 2020**

The Members of the Honorable Board of Commissioners of Granville County, North Carolina met in a regular meeting on Monday, May 18, 2020 at 7:00 p.m. via Zoom conference call in order to adhere to the COVID-19 restrictions.

***Present via Zoom were:***

***Chairman:*** David T. Smith

***Commissioners:*** Tony W. Cozart Sue Hinman  
Zelodis Jay Timothy Karan

Owen T. Roberts, Jr. and Edgar Smoak were absent.

***County Manager:*** Michael S. Felts

***County Attorney:*** James C. Wrenn, Jr.

**MEETING CALLED TO ORDER**

At 7:01 p.m., Chairman David T. Smith called the meeting to order and recognized Commissioner Zelodis Jay for the invocation and the Pledge of Allegiance. At this time, Clerk to the Board, Debra A. Weary, did a roll call. Commissioner Roberts and Smoak were absent and excused. Chairman Smith reminded Board members to identify themselves when speaking or making motions and also announced that votes would be done by a roll call by the Clerk.

**CONSENT AGENDA APPROVED**

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Sue Hinman, and unanimously carried 5-0, the Board approved the consent agenda as follows:

- (A) Approved the Summary of Contingency and Use of Fund Balance report that showed the following balances:

General Contingency Balance	\$	0
School Contingency	\$	100,000
Environmental Disaster Contingency	\$	10,000
General Fund Appropriated Fund Balance	\$	5,463,884

- (B) Approved Budget Amendment #8 as recommended by the Finance Director:

**Budget Amendment #8**  
**05/18/20**

***Be it ordained,*** the FY 2019-2020 Annual Budget Ordinance is hereby amended as follows:

**GENERAL FUND**

Expenditures: Increase/(Decrease)

General Government

Board of Election	19,200
General Services	25,333

Public Safety

Forestry	3,900
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			Emergency Management	7,050	
			Addressing / GIS	3,000	
Human Services					
			Area Mental Health	5,000	
			Social Services	(10,000)	
			HCCBG & Transportation	(14,000)	
			Oxford Senior Center	21,700	
Area Projects and Other Appropriations					
			Pass Thru Funds and Transfers	23,338	
			<i>Total Expenditures</i>		84,521
Revenues: Increase/(Decrease)					
			Restricted and Intergovernmental	18,538	
			Appropriated Fund Balance	65,983	
			<i>Total Revenues</i>		84,521

General Fund/Pass Through					
Expenditures: Increase/ (Decrease)					
10-	8580	383	Alcohol Education & Rehab	\$18,538	\$18,538
Revenues: Increase/ (Decrease)					
10-	3837	322	Alcohol Education & Rehab	\$18,538	\$18,538

*Description* : to reflect grant funding by the Granville Co. ABC board and disbursement to the Granville Co. School Board for alcohol education and rehabilitation programming.

General Fund/DSS					
Expenditures: Increase/ (Decrease)					
10-	8580	142	Harold Sherman Adult Day	\$4,800	\$14,000
10-	5859	505	EDTAP - Transportation	(\$14,000)	\$74,680
10-	5300	314	Workfirst Transportation	(\$10,000)	\$16,988
Revenues: Increase/ (Decrease)					
10-	3990	991	Approp Fund Balance	(\$19,200)	\$5,378,701

*Description* : Adjust final funding allocations for the Rural Operating Assistance Program for FY 2020.

General Fund/Senior Center					
Expenditures: Increase/ (Decrease)					
10-	5860	199	Contract Services	\$22,000	\$47,000
10-	5860	231	Crafts	(\$2,000)	\$0
10-	5860	233	Donations	\$2,800	\$2,900
10-	5860	312	Travel	(\$1,300)	\$5,700
10-	5860	341	Printing	(\$2,500)	\$8,500
10-	5860	352	Repair and Maintenance - Equip	\$1,200	\$1,600
10-	5860	510	Capital Outlay	\$1,500	\$1,500
Revenues: Increase/ (Decrease)					
10-	3990	991	Appropriated Fund Balance	\$21,700	\$5,400,401

*Description* : to fund greater than anticipated temporary services for the Senior Center, as well as redistributing funding within the department.

General Fund/General Services					
Expenditures: Increase/ (Decrease)					
10-	4260	121	Salaries	\$5,000	\$146,621
10-	4260	181	FICA	\$383	\$15,042
10-	4260	182	Retirement	\$450	\$13,125
10-	4260	199	Contract Services	(\$11,000)	\$49,000
10-	4260	251	Gas, Oil, Tires and Repairs	(\$4,000)	\$4,500
10-	4260	321	Telephone	(\$2,600)	\$2,400
10-	4260	331	Utilities	\$30,500	\$210,500
10-	4260	352	R & M - Equipment	\$6,600	\$9,600
Revenues: Increase/ (Decrease)					
10-	3990	991	Appropriated Fund Balance	\$25,333	\$5,425,734

*Description* : to fund adjustments to salary, utility expenses, and a redistribution of funds within the General Services department.

General Fund/Board of Elections					
Expenditures: Increase/ (Decrease)					
10-	4170	341	Printing	\$1,500	\$34,000

10-	4170	352	R & M - Equipment	\$5,200	\$31,000
10-	4170	370	Advertising	\$2,500	\$8,000
10-	4170	399	Contracted Services	\$10,000	\$100,975
Revenues: Increase/ (Decrease)					
10-	3990	991	Appropriated Fund Balance	\$19,200	\$5,444,934

(C) Approved the Capital Project Ordinance, Oxford Landfill Closure/Post Closure, Budget Amendment #1 for fiscal year 2019-2020 as follows:

**Capital Project Ordinance  
Oxford Landfill Closure/Post Closure  
Budget Amendment # 1** (during Fiscal Year 2019-2020)  
(Budget Amendment # 7 for capital project ordinance)

**Be it ordained,** the Oxford Landfill Closure/Post Closure Capital Project Budget Ordinance is hereby amended as follows:

<b>Expenditures: Increase / (Decrease)</b>			
Closure/Post Closure Activities	\$	70,000	
Total Expenditures			\$ 70,000
<b>Revenues: Increase / (Decrease)</b>			
Contribution from Landfill	\$	70,000	
Total Revenues			\$ 70,000
<b>(For Reference Only)</b>			
<b><u>Balance</u></b>			
Revenue Increase/ (Decrease)			
62-3981-000	Contribution from Landfill	\$ 70,000	\$ 999,632
Expenditure Increase/ (Decrease)			
62-4730-599	Oxford – Post Closure Costs	\$ 101,248	\$ 830,135
62-4730-199	Professional Service	( 31,248)	57,752

**Description:** To adjust project budgets to reflect actual land and closure costs and to appropriate additional funds for post closure costs based on current project estimates.

**RESTATEMENT OF BUDGET LEVELS**

**Capital Project Ordinance  
Oxford Landfill Closure/Post Closure  
(For County Auditors Reference)**

Expenditures		Revenues	
Closure/Post Closure	1,399,632	Contribution from the Landfill	999,632
		Investment Earnings	400,000
Total Expenditures	<u>1,399,632</u>	Total Revenues	<u>1,399,632</u>

(D) Approved the minutes of the March 16, 2020 and April 20, 2020 meetings.

(E) Approved the Tax Refunds/Releases and Write-offs for April 2020 as follows:

- April refund/releases: \$10,455.29
- April write-offs (\$2 or less) \$ 42.37

(F) Approved repealing the *RESOLUTION ESTABLISHING A LOCAL GOVERNMENT BOARD MEETING REMOTE PARTICIPATION POLICY FOR GRANVILLE COUNTY* and authorized the County Manager and County Attorney to develop a policy for remote participation in meetings when there is not a state of emergency.

**PROCLAMATION RECOGNIZING ESSENTIAL AND FRONTLINE WORKERS**

Chairman Smith mentioned that this week was EMS week and last week was Nurse’s Week and thanked them for their service. He then thanked all essential workers for their hard

work and dedication during this unprecedented time and read the following proclamation that was approved by consent:

**Proclamation Recognizing Essential Workers**

**WHEREAS**, the outbreak of the Novel Coronavirus (COVID-19) has led to a state of unprecedented economic disruption in the United States, in North Carolina and in Granville County; and

**WHEREAS**, employees in health care, grocery stores, post offices, social services, law enforcement, emergency services and emergency communications have been considered essential workers during the pandemic; and

**WHEREAS**, the widespread implementation of stay-at-home measures and restrictions on many categories of businesses produced a surge in demand for delivery services, with its effects felt at every link in the supply chain; and

**WHEREAS**, essential workers are keeping the critical parts of our economy running during the fight against COVID-19; and

**WHEREAS**, while many of us are being told to stay at home, these workers have a responsibility during the outbreak to continue operations, potentially putting their lives in danger; and

**WHEREAS**, many of these employees are at risk of contracting the virus because their essential work means they cannot remain at home;

**NOW, THEREFORE, BE IT PROCLAIMED**, that the Granville County Board of Commissioners expresses its sincere gratitude to the essential employees who are working tirelessly during this pandemic.

He also thanked ACIM (Area Congregations in Ministry) for continuing to providing food for our citizens and continuing this service during COVID-19.

**PUBLIC COMMENTS**

Per the notice of this meeting, any public comments were to be sent by mail or email by today by 12 p.m. Chairman Smith stated that no public comments were received.

**BOARD APPROVED CHAIR PURCHASE FOR EMERGENCY COMMUNICATIONS**

Chairman Smith stated that this item was to consider approving the purchase of new telecommunicator chairs to be used at the new Law Enforcement Center location. He then explained that the existing chairs will be moved to the back-up center location to replace the older dated chairs. He noted that the chairs are rated for use 24 hours a day, 365 days out of the year and funding will consist of \$9,325.59 using E-911 restricted funds.

Upon a motion by Commissioner Tony W. Cozart, seconded by Commissioner Zelodis Jay, and unanimously carried 5-0, the Board approved the purchase of five (5) chairs from Apex Office Chairs, in the amount of \$9,325.59 using E-911 restricted funding for the new 911 Center.

**BOARD APPROVED UPDATE FOR CHANNEL 17 EQUIPMENT**

Chairman Smith said the next item was to approve an upgrade to equipment for the local government channel, Spectrum Channel 17. He gave the following background information. The equipment now in operation does not allow the addition of new videos, as videos are now made in formats no longer compatible with the original technology. Videos that could be incorporated include storm safety/fire safety tips from Emergency Services, “how-to” videos from the Cooperative Extension Service and the libraries, videos of adoptable animals at play at the Animal Shelter, etc. Once produced in house, these videos can also be added to social media and our website for consistent messaging.

Since 2006, Granville County Government has provided communication services to our residents through Spectrum Channel 17. The original equipment, through Leightronix Inc., is still in use, utilizing a rotating display of PowerPoint slides – similar to mini-billboards – that communicate a brief message about upcoming events, services, programs and special messages pertaining to all departments of Granville County Government. Fifteen to 24 messages are displayed each week from the Animal Shelter, Senior Services, the Library System, Board of Elections, the Sheriff’s Office, Social Services, Emergency Management, Environmental Services, etc. and all are updated weekly to ensure timely messaging.

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Sue Hinman, and unanimously carried 5-0, the Board approved the purchase of the UltraNexis-HD-Flex unit from our existing equipment vendor Leightronix in the amount of \$8,995.00 plus standard shipping and handling costs to upgrade equipment.

**AFTER HEARING RECOMMENDED FISCAL YEAR 2020-2021 BUDGET PRESENTATION, BOARD APPROVED SCHEDULING PUBLIC HEARING AND BUDGET WORK SESSION**

County Manager Felts stated that the purpose of this item was for a presentation on the recommended fiscal year 2020-2021 budget and to set date(s) for budget workshop(s). In accordance with North Carolina General Statute §159, the County Manager’s submitted budget must be presented to the Board no later than June 1. The Manager must also file a copy with the Clerk to the Board to make it “available to all the news media in the County.” He then gave the following budget presentation for fiscal year 2020-2021:

Mr. Chairman, members of the Board, thank you for the opportunity to officially present the fiscal year 2020-2021 budget document. This binder contains the County’s recommended annual budget as required by North Carolina General Statute 159 and the *Local Government Budget and Fiscal Control Act*. Two general units comprise the document. The first unit is the continuation budget for

all funds necessary to carry out the services authorized by the Granville County Board of Commissioners. This portion contains both the financial information and the narrative descriptions of each program in all funds for which the Board is responsible. In addition to the financial information, the continuation budget section also contains non-financial information about the County and a proposed fee manual. The fee manual describes the user fees that attempt to recover some or all of the costs of services from the direct beneficiaries of the services, rather than taxpayers. The second unit contains detailed information on approximately 48 service expansions proposed by departments and outside agencies. These are “new and different” programs or activities that expand or decrease the current level of service to the Granville County citizens and taxpayers. The budget is balanced and prepared in accordance with the policies and procedures outlined in the Local Government Budget and Fiscal Control Act.

## **The Process**

While budgeting is an ongoing process, the budget preparation season officially begins at the Board’s planning retreat. During the planning sessions the Board Members discuss the current programs and provide staff guidance to what should be included in the service expansion process. The County Manager then informs department managers of program ideas that the Board would like to see proposed in the new budget.

Section II of the budget contains the budget calendar. Departments and outside agencies were reminded in late January to begin thinking about service expansions. The instructions and formal notification for the continuation budget requests were sent out in February and service expansions were to be returned by mid-March. Individual departmental meetings were held in late March and early April to review the budget requests and finalize the expenditure requests. Revenues were the last item to be addressed, because much of the property tax information and the year-to-date historical data are not available until late April. The revenue and expenditures were finalized at the end of April, after another full review of revenues, expenditures and projected fund balance.

## **Outlook**

Due to the uncertainty of the COVID-19 pandemic, and the efforts to recover from it, the ability to forecast the local or state’s economy with any meaningful level of reliability is somewhat impossible. We just cannot forecast the direction of recovery efforts at this time. County staff believe during times of uncertainty it is necessary to retain as much financial flexibility as possible in order to address the potential unknown issues as they come to our attention. With this in mind, and the fact that so many of our services and our local economy are tied to the State and Federal government efforts, we have compiled a conservative budget.

## **Goals**

The annual budget is a product of the Board’s vision of what Granville County should strive toward in the coming year. The long-standing values communicated during individual budget work sessions, monthly meetings, and in planning retreats are as follows:

- Continue to rely on financial plans and systems in the preparation of the proposed budget;
- Conservatively estimate revenues and expenditures to avoid expectations of performance that are not realistic;
- Create an atmosphere where efforts to “spend down” during the fiscal year are discouraged;
- Present a budget that maintains the current level of programs and services provided by County departments to the public without a reduction unless those reductions are caused by State or Federal reductions.
- Present a budget that re-evaluates all expenditures in order to offset projected losses in revenues so that in light of the current economic conditions a tax increase is not needed for general government operations, but allows for policy review and potential service reductions or expansions based on other policy directives.
- Present a budget that does not supplant funding cuts by the State or Federal governments, but instead reduces those programs and informs the public of the associated impacts.

## Overview of the Budget

Key drivers for the fiscal year 2020-2021 budget are listed below:

- **Health Insurance Increase** – Granville County is self-funded and we re-evaluate our anticipated and maximum claim liability and budget within this range. Due to previous claims activity, the County’s health plan has a projected funding increase of approximately 7%. For fiscal year 2020-2021, the County increased funding to the health plan by approximately 5%, passed a small portion onto the County employees, and plan to use the health plan’s fund balance to balance out funding needs. This is an increase of approximately \$141,200 over the previous year to the County’s operating budget.
- **Retirement Rate Increase** – For this budget, the required employer contribution to employee retirement has increased approximately 1.24% from 8.95% to 10-19%. This is an increase of approximately \$173,141.
- **Debt Service** – This is the anticipated driver to the budget. Fiscal year 2020-2021 is the peak year for debt service payment (principal and interest) requirements. Beginning with fiscal year 2021-2022, assuming no new debt, we start to see a declining debt service payment requirement year over year. The increase over last year is \$1,181,275.
- **Health & Medical Increase** – Based on planned increases, this budget contains a \$40,000 program increase for the Public Health Department and a \$50,000 program increase for the hospital for EMS. This is a total programmed increase of \$90,000.
- **Volunteer Fire Departments (VFD)** – Typically, the County increases the continuation budget by the same growth factor that we experience annually as exhibited with property taxes. This year’s growth was less than 1%. The current continuation budget includes a 3% increase over last year’s funding levels recognizing the Board’s understanding of the VFD’s funding needs. Additional funding requests are included in the service expansion section of the budget for the Board’s consideration. This is a total of \$32,894.
- **School System** – The County attempts to include a 2-3% inflationary growth factor to the public schools funding allocation in the continuation budget. The recommended budget currently projects a 2% growth for current expense (operating) and 2.5% growth for capital outlay funding. The school system is requesting approximately 5% on their current expense in order to continue ongoing operations. This funding requests as well as service expansion requests are included in the service expansion section of the budget for the Board’s consideration. The increase included in the recommended budget totals \$361,172 over last year’s funding.
- **Pay and Classification Implementation** – To implement the pay and classification plan effective January 16, 2021 it is anticipated to cost \$495,548. The recommended budget includes funding to achieve this implementation date. Due to the COVID-19 pandemic, the MAPs Group has not been able to present the final pay and classification study along with their recommendations to the County Board of Commissioners. The final plan should be presented this summer and we believe this estimated amount of funding will approximate the final recommendations.

## General Fund

The majority of the general governmental activities are accounted for in the General Fund.

- ⇒ The fiscal year 2020-2021 recommended budget maintains the prior year’s tax rate of \$0.84 for each \$100 of assessed valuation.
- ⇒ Revenues and expenditures are balanced in accordance with North Carolina General Statutes. The budget recommends appropriating \$2,801,439 in available fund balance (4.11% of the general fund expenditures). Total recommended revenues, including appropriated fund balance, are \$68,093,640.

**Sources of Revenues for the recommended fiscal year 2020-21 budget:**

Property Taxes – 61%  
Sales & Other Taxes – 17%  
Intergovernmental & Restricted Funds – 16%  
License & Fees – 4%  
Investment Income & Other – 2%

- ⇒ **Property Taxes** - The estimated tax base of \$4,990,275,092 for fiscal year 2020-2021 is projected to provide revenues of \$41,226,659 at the recommended tax rate of 84¢ for each \$100 of assessed valuation assuming a 98.93% collection rate. The tax collection rate compared to last year dropped by 0.58%.
- ⇒ **Sales and Other Related Taxes** are expected to increase 5% over the fiscal year 2019-2020 amended budget. Due to the COVID-19 pandemic we are not able to project actual growth in the sales and other related taxes. Historically Granville County has budgeted these revenues very conservatively and in most years the actual revenues exceed the budget estimates. For fiscal year 2020-2021 we developed our budget estimates based on actual expenditures in the current year ultimately remaining flat from fiscal year 2019-2020.
- ⇒ **Intergovernmental & Restricted Revenue** is expected to decrease by 8% from the fiscal year 2019-2020 amended budget primarily due to a change in State funding associated with the Social Services Department. The State has shifted to paying some funding directly to the vendors rather than passing the funding through the County. This category changes the most throughout the year based on the availability of grants during the year.
- ⇒ **Licenses, Fees, and Other Revenues** are expected to increase by 3.1% when compared with the fiscal year 2019-2020 amended budget. This is mostly due to reimbursements for School Resource Officers and fees affected by the economy; such as Inspections, Planning, and Register of Deeds fees.
- ⇒ **Investment earnings** are expected to decrease due to the utilization of construction project funding and the impact on investment earning rates due to the slowdown of the economy.
- ⇒ **Use of Fund Balance** - The recommended budget appropriates \$2,801,439 in fund balance. Fund balance remaining as of June 30, 2020 is estimated to be 32.8% of expenditures. Based on the fiscal year 2020-2021 recommended budget, the remaining unallocated/unassigned fund balance is projected to be 29.28% of expenditures as of June 30, 2021 which is just under the County's targeted range of 30% - 35%.

**General Fund Expenditures**

Much of the work in preparing the budget focused on critically evaluating expenditures from a zero-based starting point in an effort to adjust to the current economic conditions. Meetings were held with departments and each line item was reviewed with the department managers. Department managers did an excellent job of critically reviewing and evaluating each expenditure in their budget.

Overall the County general operating expenditures increased \$368,148 which is 0.5% over the fiscal year 2019-2020 approved budget. Of departments that had increases, they were mostly due to increases in wages, health insurance premiums, retirement contributions, debt service, and operational needs such as maintenance related needs.

**General Government – 7%**

(Governing Board, Admin, HR, IT, Finance, Internal Audit, BOE, ROD, General Services, Court Facilities, and Tax Administration)

Departments which comprise General County Government activities averaged a 4.3% increase in operational expenditures from the previous fiscal year approved budget when netting out budget changes to the Information Technology and Human Resource departments. The 184.8% increase in Information Technology is due primarily to a re-classing of budget items from the non-departmental budget area. Also, Human Resource experienced an increase of 39.3% due to the mid-year addition of another staff person bringing the total number in the department to two staff members.



### Human Services Departments - 19%

(Social Services, Veteran Services, Senior Services, Public Health, Hospital, and Mental Health services)

The Health and Human Services area of the budget averaged a 6.7% increase when adjusting for the changes in the State's operating procedures as it relates to Social Services. The primary drivers for this function area results from programmed increases to Granville Health System and Granville-Vance Public Health.

### Community Services – 10%

(Library, Addressing, CES, Recreation, GAP, EDC, Tourism, Inspections, Planning, & Construction Administration)

Community Services averaged a 5.4% decrease. This functional area of the budget includes our construction administration department. The fiscal year 2020-2021 budget defers funding for projects for one year and diverts some recreational funding to General Government section for administration of various activities designed to celebrate Granville County's 275<sup>th</sup> Anniversary.

### Education – 37%

(VGCC and Traditional Public School System)

Total education funding increases \$240,240 or 1%. Vance-Granville Community College funding remains level with the prior year and funding to the Granville County Public School System increases \$361,172 (operating & capital). Education related debt service decreased \$120,932. Additional requests for operating and capital expenses for the Granville County Public School System are included in the service expansion budget.

### Public Safety – 21%

(Sheriff, Detention Center, Emer. Communications, Animal Control, Emer. Mgmt., Fire Services, Forestry, and other emergency services)

The Public Safety functional area showed the largest net increase of \$1,620,006 or 12.47%. The majority of this increase is related to the debt services associated with the new Law Enforcement Center, Detention Center, and Animal Shelter. This was one of the expected impacts on the fiscal year 2020-2021 budget. Debt service for the County peaks with the upcoming fiscal year and then begins a year over year reduction.

### Area Projects & Other Appropriations – (and other = 6%)

(Special Appropriations, Non-Departmental, and Pass-Through funds)

The amount budgeted for Special Appropriations remained fairly flat from the fiscal year 2019-2020 budget. Several outside agencies have requested new funding and their requests are included in the service expansion portion of the budget document.

Non-departmental expenditures show a 3% decrease from the fiscal year 2019-2020 approved budget which results primarily from moving IT connectivity and licensing budgets amounts to the Information Technology budget. Additionally, we have eliminated funding for merit pay for one year (FY20-21), provided funding for a one-time \$500 bonus for all full-time employees, and recommend implementing the MAPs Group Pay and Classification plan effective January 16, 2021.

Pass-through funds remained fairly consistent with the previous year.

### Contributions to Other Funds

The proposed budget for this cost center shows an 18% decrease from the fiscal year 2019-2020 budget due to the impact of COVID-19 on tourism and occupancy taxes. These tax revenues are transferred to the Tourism Development Authority.

### Contingency

The Contingency appropriation is \$290,000 which was the same funding level as the fiscal year 2019-2020 original budget.

## **Other Funds**

### Emergency Telephone System Fund (ETSF)

This fund continues to change due to rules from the State 911 Board regarding the allowable expenditures of the E-911 telecommunications surcharges. The Fund expenditures are budgeted at \$374,803.

### R.H. Thornton Library Memorial Fund

This fund is a special revenue fund used to account for the receipts and disbursements made on behalf of the Granville County Library System. The fund is budgeted at \$20,000.

### Solid Waste Management – MSW Landfills

The budget provides \$1,481,146 for operation of the County's municipal solid waste (MSW) landfill. Tipping fees for the landfill are recommended to remain at \$37/ton.

### Solid Waste Management - Convenience Centers

The budget for the operation of the convenience centers is \$1,450,550.

### Stormwater Management

The budget establishes the Stormwater Management Operations fund to primarily provide services related to the State mandated Falls Lake rules. The fund is budgeted at \$382,200.

## **Service Expansion Section**

The service expansion budget consists of expenditures that generally “change” something about the operation. Examples include new positions, new equipment (not just replacement), new programs, acceptance of various grants, and initiatives to address employee compensation. Funding all service expansions will require more than \$3,951,608 in additional General Fund revenue. The Board may wish to consider other sources of revenue to fund these additional services. Some of the initiatives may appropriately be considered for partial funding, future funding, or be incorporated into an overall plan, such as the capital improvement program or recreation master plan.

## **Fee Manual**

Four departments show changes to the fee manual this year, they include Fire Marshal fees, Inspection fees, Tax Administration fees, and Library fees. Most of these changes reflect operational changes rather than increases in fees.

## **Summary**

So in summary, Granville County continues to face uncertainty and challenges in the coming year. This recommended budget continues current operations and maintains the Ad Valorem tax rate at the prior year's level, in accordance with the Board's directive at the annual planning session, despite the increasing costs of providing these services. The local and state economies in fiscal year 2020-2021 and the actions of the State and Federal government will be important factors in the performance of this budget. Granville County staff will continue to build relationships with our State representatives and various associations in order to influence positive change for our County.

The Granville County Board of Commissioners has prepared for tough times by managing its resources well and has acted responsibly in its efforts to maintain services. The County will continue to provide critical services to those in need and do so at the proposed tax rate unless actions by the State or Federal governments force changes that are beyond its control. I believe the County has adequate reserves to remain flexible, however with the planned utilization of fund balance and the high level of uncertainty we face our ability to remain flexible in the coming years may be impacted. Staff will continue to monitor the impact of COVID-19 recovery efforts and will work to keep the Board informed of the changing economy.

Department Managers and key employees did an outstanding job of compiling their departmental budget requests to meet the County's mission of providing its residents with an array of services to enhance their quality of life, through a responsive, effective and efficient local government. They have worked long hours, through uncertain conditions, and deserve heartfelt thanks. The people working for Granville County Government care about their community and take pride in providing services that make life better for others. Staff have gone the extra mile to help our senior citizens,

have worked diligently to provide materials online for children and adults who are staying home, spent many hours moving offices so we can provide better social distancing for our staff and clients, and have spent untold hours responding to hundreds of facility requests so that staff can continue to provide services to the community.

Putting together a budget and a budget document requires significant collaboration and communication. The Finance Department, under the leadership of Steve McNally, did an outstanding job in creating a budget document that serves as a management tool and an outline from which to debate policy. I also want to express a very special thanks to Debra Weary and Patrice Wilkerson for their support and for making sure that the business of the County continued while many county employees and I simultaneously worked through the COVID-19 response and budget process.

County Manager Felts then gave his recommendation for holding a public hearing and setting a budget work session.

Chairman Smith thanked staff for their work on the budget.

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Tony W. Cozart, and unanimously carried 5-0, the Board approved scheduling the public hearing on the proposed recommended budget for June 1, 2020 and approved scheduling a budget work session for June 11, 2020 following the Board of Equalization and Review meeting.

**BOARD APPROVED COUNTY DISTRIBUTION FROM THE CORONAVIRUS RELIEF FUND (CRF)**

County Manager Felts said this agenda item was to update the Board of Commissioners on the County's funding from the Coronavirus Relief Fund (CRF) established under the CARES Act. He then gave background information.

On May 7, 2020, the County was notified that funding of \$1,233,427 would be available to Granville County for eligible health related expenditures. This funding level was determined by a 2-step process with each of the 97 participating counties receiving \$250,000 and then the balance being distributed based on population. He noted that three counties received direct allocation from the CARES Act.

Some of the broad categories of eligible expenditures include:

- Medical expenses including the COVID-19 related expenses of public hospitals and clinics, establishment of temporary medical facilities, COVID-19 testing, and public telemedicine capabilities.
- Public health expenses such as the acquisition of personal protective equipment and other medical supplies, disinfection of public areas and other facilities such as nursing homes, and expenses for public safety measures, including expenses for quarantining.
- Payroll expenses for public safety or healthcare employees whose services are substantially dedicated to responding to the COVID-19 emergency.
- Expenses of actions that facilitate compliance with COVID-19 related public health measures such as teleworking, distance learning, food delivery paid sick and family and medical leave for public employees, expenses for maintaining prisons, and expenses for protecting the homeless population.
- Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency.

In order to receive the funding, the County Manager has to certify that the funds will be used appropriately, provide an expenditure plan by June 1, acknowledge that the unspent fund or funds spent on unqualified expenditures are subject to claw back, and conform with reporting requirements. County Manager Felts stated that he has reached out to the municipalities, public health department, and the hospital for feedback on their possible needs. The County Manager and Emergency Management Director will work together with responses from the other units to develop the required expenditure plan by June 1<sup>st</sup>. He noted that they are hopeful that we will be able to provide some of these funds to each organization.

Chairman Smith encouraged citizens to complete the census as it is important for grants such as this one where funding is based on census count.

Upon a motion by Commissioner Tony W. Cozart, seconded by Commissioner Timothy Karan, and unanimously carried, the Board approved authorizing the County Manager to work with the Emergency Management Director to develop and submit an expenditure plan for grant funding in the amount of \$1,233,427 from the Coronavirus Relief Fund to the NC Pandemic Recovery Office by June 1, 2020.

#### **UPDATE ON COVID-19 RESPONSE**

County Manager Felts gave an update on COVID-19 response as it relates to the Governor's Phased Plan. He highlighted some of the departments' reopening responses that were in the agenda and made comments. He noted that the overall plan is cautious and that departments will expand their services over the next few weeks.

Chairman Smith noted that meals have continued to be served by Senior Services during this time and thanked the Senior Center and other staff.

County Manager Felts noted that 800 meals were served by Senior Services last week.

This item was for information only.

#### **BOARD APPROVED KEEPING UNSPENT RURAL OPERATING ASSISTANCE PLAN (ROAP) FUNDING UNTIL JUNE 30, 2021**

County Manager Felts explained the Rural Operating Assistance Program (ROAP) has unspent funds due to the COVID-19 pandemic. NC DOT notified County Managers, Finance Directors, and transportation partners of the Integrated Mobility Division's (IMD) new policy to allow counties to choose to extend unspent ROAP or SMAP funds from their FY 2020 allocation. Due to the delay in disbursing the funds and the new funding through the CARES

Act, systems may not have the opportunity to spend their allocated funding. In order to maximize all funds available, IMD has developed a new policy (COVID19-001) which will allow each county to choose to keep their unspent funds to use until June 30, 2021 or to return unspent funds at the end of the current fiscal year. Kathy May, Senior Services Director, contacted KARTS our rural transportation partner and they are requesting we keep the unspent ROAP grant funding.

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Sue Hinman, and unanimously carried 5-0, the Board approved supporting the KARTS request to keep the County's portion of unspent ROAP funds to use until June 30, 2021.

**BOARD APPROVED RECLASSIFICATION OF POSITION TO ASSISTANT COUNTY MANAGER AND ADVERTISING FOR VACANCY**

County Manager Felts announced that he had one additional item for consideration. He said there is a vacancy in the Administration department due to Management Analyst Charla Duncan leaving. He asked the Board to consider advertising for the vacancy and reclassifying it to an Assistant County Manager position. The recent MAPS study identified the need for division of management at the senior level as County Manager Felts manages 26 departments. He said the position would not be filled until after July 1 and explained the division of duties.

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Tony W. Cozart, and unanimously carried 5-0, the Board approved reclassifying the Management Analyst position to Assistant County Manager and approved advertising for the vacancy.

**BOARD APPROVED RESOLUTION AND ACTION CONCERNING THE PROPERTY AT 201 MCCLANAHAN STREET TO THE NATIONAL MARY POTTER CLUB**

County Attorney Wrenn explained that the County gifted the National Mary Potter Club (NMPC) the building located at 201 McClanahan Street known as the Industrial Arts Building. He said that there were certain performance requirements in the deed and due to slower fundraising than anticipated, all of the performance requirements were not met. There was a reverter clause in the deed that the property would revert back to Granville County that happened by operation of law. He informed the Board that the NMPC has received a grant for \$500,000 and they are ready to move forward with a substantial renovation to the building. He explained that he was asked by County Manager Felts to review the legal status of the matter and how to move forward. He said that this will require a reconveyance of the property by the Board of Commissioners and will need to include certain performance criteria. He

recommended giving consideration to word the agreement more loosely as not to set deadlines that are difficult to meet. He then referred to a resolution in the agenda for disposition of County owned property by private sale and explained it. He said the resolution says “by private sale for the sum of one dollar” but after further review it can say “conveyed without consideration.” He said if approved, the resolution would need to be advertised and after 10 days the property can be conveyed. He made his recommendation.

Chairman Smith noted that the National Mary Potter Club has been diligent in their fundraising efforts.

Commissioner Cozart asked if the leadership of the National Mary Potter Club have been privy to the resolution.

County Manager Felts said that he has been in contact with Project Manager for the NMPC and she has not presented it to her full board, but believes they are okay with this type of language in the resolution.

Upon a motion by Commissioner Tony W. Cozart, seconded by Commissioner Zelodis Jay, and unanimously carried 5-0, pending advertisement of legal notice and 10 day waiting period, the Board approved authorizing the Chairman or the County Manager to convey the property at 201 McClanahan Street in Oxford (map number 192313134624) to the National Mary Potter Club as set forth in North Carolina General Statute 160A-279 and approved the following associated resolution:

### **Resolution**

#### **Disposition of County Owned Real Property by Private Sale**

Whereas the County of Granville owns certain real property located at 201 McClanahan Street in Oxford, North Carolina referenced as map number 192313134624, and

Whereas National Mary Potter Club is a not for profit organization that works to promote the history of Dr. G.C. Shaw and Mary Potter, and

Whereas National Mary Potter Club is actively engaged in this pursuit by operating the G.C. Shaw Museum in Oxford, North Carolina, and

Whereas the building located at 201 McClanahan Street was built by Dr. G.C. Shaw for Mary Potter, and

Whereas North Carolina General Statute 160A-279 authorizes counties to convey by private sale real property that it owns to entities that carry out a public purpose, and

Whereas North Carolina General Statute 160A-279 requires that conditions be placed on the conveyance which assure that the property will be put to a public use by the recipient entity, and

Whereas the County desires to dispose of said property by private sale to National Mary Potter Club in accordance with North Carolina General Statute 160A-267,

Now therefore be it resolved that the Granville County Board of Commissioners authorizes the County Manager to dispose of the Property to National Mary Potter Club by private sale subject to the following conditions:

1. Ownership of the Property, together with the ownership of any improvements made to the Property and any structures thereon, will revert to the County of Granville if the Property is no longer used by NMPC for a public purpose such as an educational facility, museum, community center, or office or operational space for a non-profit entity serving the citizens of Granville County.

**BOARD APPROVED ADVERTISING FOR UPSET BID PROCESS FOR PROPERTY LOCATED AT 3674 US HIGHWAY 15 SOUTH, OXFORD**

County Attorney Wrenn informed the Board that today an upset bid of \$2,000 was received and a deposit was made with the Clerk for the property located at 3674 US Highway 15 South, Oxford (tax map number 180900764845). He asked the Board to consider advertising for upset bid again and notifying adjacent property owners.

Upon a motion by Commissioner Timothy Karan, seconded by Commissioner Sue Hinman, and unanimously carried 5-0, the Board approved advertising the property located at 3674 US Highway 15 South, Oxford (tax map number 180900764845) for upset bid and notifying adjacent land owners.

**BOARD PRESENTATIONS**

Commissioner Jay said it was good to see everyone on Zoom and staying safe. He reported that a KARTS meeting was held last Tuesday and commended KARTS drivers for their work and volunteer efforts to deliver meals on wheels for our seniors.

Commissioner Hinman thanked the many County heroes that have kept services going and thanked citizens for helping to feed those that have needed help during this time.

Chairman Smith thanked County staff for continuing to carry out services and thanked citizens for staying safe as we deal with this pandemic. He said, "We are all in this together and will get through this together."

Commissioner Cozart echoed comments that were made and added that he is proud of the efforts of citizens to help others in the community. He thanked County Manager Felts for

his work with Granville County Public Schools to get buses with Wi-Fi connections to locations throughout the County to help our students without access to internet service.

Commissioner Karan asked if the bus being placed at the Expo Center would replicate the broadband initiatives already implemented there. If so, he asked that the bus designated for the Expo Center be used in another location.

County Manager Felts said he would test the service and find out.

Commissioner Karan said he participated in the litter sweep with others last Friday. He said they met at the Expo Center and noted that the Wi-Fi there was working good that day.

Commissioner Hinman commented that she missed seeing the citizens that attend the meetings.

Chairman Smith said he was thankful for modern technology to be able to carry on the business of Granville County. He thanked those citizens that joined the meeting by Zoom and encouraged everyone to be safe and cautious.

**COMMISSIONERS ADJOURN**

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Sue Hinman and unanimously carried 5-0, the Board adjourned at 8:22 p.m.

Respectfully submitted,  
Debra A. Weary, NCCCC, MMC  
Clerk to the Board