

May 13, 2020

The Martin County Board of Commissioners met electronically in a Regular Session on Wednesday, May 13, 2020, 7:00 p.m. in the Commissioners' Boardroom of the Martin County Governmental Center, 305 East Main Street, Williamston, North Carolina.

ASSEMBLY

Present at the Courthouse -- Chairman Tommy Bowen, County Manager David Bone, Clerk to the Board Jessica Godard, Sheriff Tim Manning, Chief Deputy Drew Robinson, and County Attorney Richard James.

Present via Cisco Webex -- Vice Chairman Dempsey Bond, Jr., Commissioner Elmo "Butch" Lilley, Commissioner Ronnie Smith, Commissioner Joe R. Ayers, Finance Director/Deputy Clerk Cindy Ange, and County Attorney Nate James.

Chairman Bowen called the meeting to order at 7:00 p.m. and performed a roll call. Chairman Bowen led the Pledge of Allegiance and provided the invocation.

AGENDA APPROVAL

Commissioner Lilley made a MOTION to approve the agenda as revised, with a SECOND by Commissioner Smith. The Board unanimously APPROVED the motion (5-0).

PUBLIC COMMENTS

County Manager Bone stated there were no written comments submitted to the Clerk prior to the meeting. In order to maintain transparency, a brief moment was observed to allow anyone watching Facebook live to provide comments. No comments were offered on the Facebook live stream.

CONSENT AGENDA

Vice Chairman Bond made a MOTION to approve the consent agenda as presented, with a SECOND by Commissioner Smith. The Board APPROVED the motion unanimously (5-0).

1. **Minutes** for April 8, 2020 Regular Session, April 24, 2020 Emergency Meeting, and April 29, 2020 Special Called Joint Meeting with Martin County Board of Education.
2. **Financial Report** for March 2020
3. **Tax Assessor – Tax Refund Requests – April 2020**

No refund requests for the month of April 2020 from the Tax Assessor's Office for Real or Personal Property billing.

4. **Tax Assessor – Tax Relief Orders –April 2020**

Year Levy	Lname	Fname	Reason	Value	Total
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2020	Reason	Dexter	Wreck		21.67
2020	Waterfield	Roger	Sold Vehicle		17.49
			<i>Total Real & Personal Releases</i>		\$39.16
2020	Ayers	Kayce Ann	Mileage		28.09
2020	PV Transport		Situs Error		3.74
2020	PV Transport		Situs Error		3.74
2020	Zurich American Ins. Co		Situs Error		71.35
			<i>TotalVTS Refund Requests</i>		\$ 106.92

5. Tax Assesor – Request for Records Purge / Destruction

Records storage had been a problem for the Tax Assessor’s Department. In an effort to help alleviate this situation, Tax Assessor Elisha Hardison was requesting permission to shred records in accordance with the Amended Records Retention and Disposition Schedule provided by the North Carolina Department of Cultural Resources dated April 17, 2013.

Records to be destroyed:

Number	--Records to be Destroyed--	Recommended Retention	Years on file Through January 2019	Years Requested To Be Destroyed
1	Deferred Taxes	10 years or 2 reevaluation cycles	10	1
2	Present Use Value Record	Until superseded or obsolete	10	1
4	Property Tax Abstracts & Lists	10 Years or 2 Revaluation Cycles	11	1
5	Tax Relief Records	10 Years or 2 Revaluation Cycles	11	1
6	Motor Vehicle Scrolls	10 Years	11	1
7	Release & Refund Records	Destroy in office release and refund monthly reports 1 year from date of submission	8	1
8	Tax Scrolls & Books: All Other	Destroy in office after 10 years or 1 year after released by the governing board, whichever occurs first	50	1

The request was approved as part of the consent agenda.

6. Tax Collector’s Report –April 2020

	Category	Apr-20	Apr 20 Y-T-D
Real Property	20	\$108,296.59	\$9,295,590.54
Personal Property	25	<u>15,976.67</u>	<u>4,903,625.73</u>
Total		\$124,273.26	\$14,199,216.27
Motor Vehicle	30	<u>346.11</u>	<u>1,877.07</u>
Total MV		\$346.11	\$1,877.07
All Total		\$124,619.37	\$14,201,093.34

7. Board Appointments/Reappointments

Home & Community Care Block Grant (Adult & Aging Services Department) Advisory Committee

Section V-A.1 of the Development of the County Funding Plan for the Home & Community Care Block Grant states that it is the responsibility of the County Board of Commissioners to annually designate an agency or office within the county with the lead responsibility for planning and coordination of the County funding Plan.

The Martin County Adult & Aging Services Department continues to do a great job serving as the lead agency.

Section V-A.2 lists the appointment of a committee to serve as a Block Grant Advisory Committee to the lead agency for planning and coordination in the development of the County Funding Plan as a responsibility of the County Commissioners.

A list of recommended individuals for appointment/reappointment as Advisory Committee members was provided. (Charmaine Hardison, Barney Conway, Lisa Edmonds, Lula Council, Vickey Manning – new appointment, Elmo “Butch” Lilley, Betty Rae Jones, Jerry McCrary, Eliza Waters, Joseph Williams, and Annette Eubanks).

The Board was asked to consider designating Martin County Adult & Aging Services Department as the Lead Agency, and consider the approval of the board member appointments/reappointments.

This was approved as part of the consent agenda.

Martin County Council on Aging, Inc.

The Council of Aging, Inc. recommended the appointment of Ms. Becky Dymeck to the Council on Aging, Inc. Advisory Board. This would be to complete the unexpired term of Ms. Molly Long. The unexpired term would end February 10, 2021.

The Board of Commissioners approved the appointment as part of the consent agenda.

Tourism Development Authority Appointment

The Martin County Tourism Development Authority Board of Directors recommended the appointment of Ms. Helen Harrison of the Martin County Historical Society to the TDA Board of Directors. This would be to replace Ms. Jane Gray Benson, whose term will expire June 30, 2020.

The term for Ms. Helen Harrison would be a three-year term, which would expire June 30, 2023.

The Board approve the appointment as part of the consent agenda.

8. Contract with Lead for NC – Fellowship

Martin County was selected to participate in the Lead for NC program. Lead for North Carolina (LFNC) is the pilot state affiliate program of Lead for America. It is being run by the UNC Chapel Hill School of Government (SOG), in partnership with the NC City and County Managers Association (NCCCMA), NC League of Municipalities (NCLM), and NC Association of County Commissioners (NCACC).

Through the LFNC program, fellows would gain a new perspective and appreciation of local government, understand the most pressing issues facing our communities, establish relationships with partner universities and organizations, and gain opportunities to engage with a growing alumni network of similarly minded individuals.

The goal of LFNC is to implement a fellowship program for recent college graduates that:

1. Provides added capacity to economically distressed local governments across the state that have difficulty attracting and retaining talented young employees;
2. Serves as a bridge between local governments (specifically in economically depressed communities or communities with special needs) and the School of Government and professional associations;
3. Increases the diversity within local governments to better reflect the diversity of the communities they serve;
4. Creates a pipeline to MPA and other graduate programs in NC;
5. Fosters the development of young talent in local governments across NC, particularly in areas that have historically (or are projected to have) a difficult time attracting and retaining sufficient talent; and
6. Promotes a greater sense of civic responsibility and encourages fellows to leave the fellowship with a deeper appreciation and dedication to their personal communities and our civic institutions.

As a host government, Martin County committed to the following:

- Enter into a single-year employment contract with each fellow. (The contract will be a 12-month fixed-term employment agreement.)
- Amend the local government's personnel policy to create a new class of employee – Temporary Salaried Nonexempt One-year Fellowship.

- Identify specific projects and/or scope of work for fellow to perform during fellowship period. Include a mix of short- and long-term projects.
- Assign a direct supervisor to the fellow who will provide regular feedback to the fellow and conduct quarterly performance assessments and reviews.
- Identify one or more mentors to the fellow to help the fellow become an accepted and productive member of the local government.
- Conduct weekly check-ins with the fellow.
- Afford fellow meaningful training and professional development opportunities.
- Allow fellow to participate in any required LFNC trainings.
- Assist fellow in locating reasonable rental housing (if needed).
- Keep LFNC Executive Director informed of any issues with fellow or fellowship.
- Comply with any performance evaluation and data collection requirements of the program.

Elizabeth Mitchell was chosen as the Lead for NC Fellow for Martin County. Elizabeth graduates from UNC-CH in May 2020.

Elizabeth would work with Martin County as a Lead for NC Fellow for one year (July 2020 – June 2021). About half the cost of her salary and benefits would be subsidized. Elizabeth would focus on grant writing and other projects, as assigned by the County Manager.

The Board of Commissioners is asked to authorize the County Manager to execute the May 6, 2020 Sub-award Letter from the UNC School of Government and to approve the Lead for NC Service Agreement as part of the consent agenda.

This was approved as part of the consent agenda.

9. Use of Public School Building Capital Fund – NC Education Lottery

NC G. S. Chapter 18C provides that a portion of the NC's lottery proceeds are allocated to each county within the Public School Building Capital Fund (PSBCF) based on average daily membership (ADM) in accordance with N C G. S. 115C-546.2. The Public School Building Capital Fund is housed in the N.C. Department of Public Instruction and is comprised of two sources of revenue: a set-aside from the corporate income tax, known as the ADM fund, which was allotted based on average daily membership (ADM) in each county; and a percentage of the net proceeds from the N.C. Education lottery.

Monies in the Fund are used to pay for public school construction projects and to retire indebtedness incurred for school construction projects. PSBCF also may contain some residual corporate income tax distributions.

The attached application requests funds from lottery proceeds to assist in making the debt and interest payment on Riverside Middle School. Approximately \$15 million was used to build Riverside Middle school in 2013. The annual debt payment is approximately \$1 million. \$264,000 is included in the PSBCF request for the debt payment. The remainder, \$26,338, is for one-half of the interest we are required to pay due to the federal government sequestration.

A County board and school board must jointly apply to the NC Department of Public Instruction (NC DPI) on a project-by-project basis to access the monies in the Fund. The Martin County Board of Education approved the request at its May 1, 2017 meeting.

The Board of Commissioners was asked to approve the application / request for funds from the Public School Building Capital Fund (PSBCF).

This was approved as part of the consent agenda.

10. Clerk Report included for informational purposes.

INTRODUCTION OF NEW EMPLOYEE(S)

None

PRESENTATIONS

COVID-19 Update

Health Director Wes Gray was available to provide a presentation regarding the status of COVID-19 in Martin County. Information discussed included an overview of cases locally and globally, providing figures and showing maps, highlighting affected areas. Other information discussed included visits to emergency rooms for COVID-like symptoms, total tests reported and percentage of positive tests. Next, Health Director Gray reviewed a timeline of confirmed positive COVID-19 cases for Martin, Tyrell, and Washington counties (broken down by gender and age). Further information was given regarding coronavirus deaths locally and across North Carolina.

Health Director Gray discussed the many challenges with coronavirus, including little to no immunity within the population, limited or no immediate treatment and no vaccine availability. He then discussed testing protocols in North Carolina, and stated Martin County needed to test about 37 people per day to meet goals set by the North Carolina Department of Health and Human Services.

Health Director Gray then reviewed prevention measures such as frequent handwashing, avoiding touching the face, continued social distancing, etc. Health Director Gray stated if someone tested positive in a worksite, the close contacts should be sent home (as opposed to closing a whole business down) and monitor for any symptoms, or ask that they be tested. The site should be cleaned with FDA approved cleaning solutions.

In closing, Health Director Gray said to prepare for more positive cases as testing increased. As Phase I of reopening continued, staff would continue to closely follow new cases, hospitalizations, and percentages of positive cases compared to test. It was noted that many people that had COVID-19 had mild or no symptoms. Finally, Health Director Gray stated reasons to be optimistic; no crush on hospitals in North Carolina, a drop in the percentage of positive cases compared to total tests, and a slowdown in new tests per day that were positive.

Commissioner Smith thanked Director Gray for his informative presentation. He then asked about Director Gray to share any known info about the illness affecting children related to COVID-19. There were at least 100 cases in New York showing these secondary conditions (skin rash)

Although there had been very few cases of COVID-19 in children and no deaths, Director Gray stated local health officials would continue to monitor the situation and educate our local providers.

With no further questions, Chairman Bowen thanked Director Gray for his presentation and for always keeping the Board informed.

Collaborative Efforts to Support Martin County Businesses During the COVID-19 Pandemic

Martin County Economic Development President Jason Semple provided an update to the Board of Commissioners regarding efforts to support local businesses.

President Semple stated in March 2020, Martin County Chamber of Commerce Director Chase Conner, Martin County Tourism Director Barney Conway, and Charles Banks from MCC Small Business Center began meeting on Thursdays to discuss the multiple resources and opportunities that were being deployed to help businesses, particularly small businesses.

Martin County EDC created a business resource page to have one spot to direct local businesses to for information for loans and grants as well as other helpful information, and data was collected from multiple sources to keep the site as up to date as possible.

At the end of March 2020, a physical packet was mailed to every business in the county on the Chamber, EDC, Small Business Center, and Tourism databases letting them know about the website and contact information was shared for any questions. Mr. Banks was designated to be the primary contact for loans and financial matters.

Next, President Semple shared some data:

- To date, the EDC's COVID 19 Business Resource page had gotten 338 hits. As a matter of perspective, there were about 780 registered businesses in Martin County.
- Mr. Banks had assisted 88 clients since the pandemic began. Most of this assistance was related to the two primary SBA loans – the Paycheck Protection Program and Economic Disaster Loan. So far, 17 businesses had received some form of assistance, and many more were in the queue. President Semple stated the local banks had assisted many more. Jeremiah Taylor at First National Bank, for instance, reported that he had executed 50 PPP loans since the program began.
- Chamber Director Chase Conner created an online business survey to get feedback regarding issues and concerns. So far, they had received 43 responses:
 - **SIZE:** 42% Sole Proprietor/Self-Employed, 30% Less than 10 employees, 21% with 10-50 employees, 6% with more than 50 employees
 - **LOSS:** 73% of businesses have report significant loss or greater
 - 79% Negative Effect on Finances
 - 61% Negative Effect on Hours of Operation
 - 58% Negative Effect on Workforce/Staff
 - **REVENUE:** 64% reported a drop of at least half of their revenue stream in the past month.
 - **EMPLOYEES:** 61% had let go of no workers, 24% had let go 1-10 employees, 6% had let go 11-20 employees, 6% had let go 21-30 employees, 3% had let go of 30+ employees.

- **HELP:** 45% had applied for governmental financial support (upon followup, only a handful had received aid)
- **FEELINGS:** 67% reported being concerned to very concerned for the sustainability of their businesses future

While these results did not include all businesses, they did not differ from the other studies that had been researched. The Economic Development Partnership of NC participated in the national Blane survey, which was shared with President Semple at the end of April 2020. North Carolina had 477 responses, and the percentages were much the same in terms of revenue and employment decreases.

During the prior week, the group expanded the Thursday video call to include the civic organizations, regional support organizations like Mid East Commission, mayors and town administrators, and the county manager and commissioners' chair. The group was trying to keep abreast of new resources – and at this stage, changes to the existing programs which happened very frequently. The weekly call was also aimed at being a platform to share ideas and information so they did not duplicate efforts or miss opportunities for our community of which to take advantage as the region began to move toward Phase 2 and 3 of Governor Cooper's plan.

Chairman Bowen asked how President Semple felt about the Resolution that was being discussed later in the meeting regarding asking the Governor to let counties re-open. President Semple stated the true impacts on the economy would not be felt for some time. In his personal opinion, President Semple felt there needed to be a way to figure out how to get back to work safely soon.

Commissioner Smith spoke about additional money that would be available for small business loans that would be available in the future.

County Manager Bone thanked all those involved for the great job they had done to reach out to our businesses and banks during this time to offer support. This would be an on-going effort in the community.

Budget Presentation

County Manager Bone presented the following draft budget message to the Board of Commissioners:

“Commissioners:

This draft budget has been developed in an unprecedented time. The impact on lives locally and globally are well documented, but so much is still uncertain. The full economic impacts of the global pandemic are not yet known, and providing a precise estimate of revenues and expenditures is not possible in this ever-changing environment. However, we must establish a baseline and develop a budget that will guide us through the coming fiscal year.

In accordance with the General Statutes of North Carolina, I respectfully submit for your review and consideration a Draft Budget for the County of Martin for Fiscal Year 2020-21. The FY 2020-21 Budget totals \$33,385,140 for all County General Fund operations, capital improvements and debt service.

Budget Emphasis – Maintaining Services, Adjusting to financial challenges, including factors related to COVID-19

The FY 2020-21 budget is based on maintenance of the current tax rate of \$0.81 per \$100 valuation, plus the applicable fire district tax, which ranges from 4-cents to 8-cents.

Prior to the arrival of the COVID-19 pandemic, it was understood that a number of financial challenges would be impactful to the FY 2020-21 budget, including:

- Concern about the county’s declining population and tax base,
- Ongoing concerns about the financial health of the Martin County Water Districts,
- The trend of using the Fund Balance from the General Fund and the Hospital Fund to balance the annual budget, and
- Various increases in costs, including increases in health care and retirement costs for employees, among others.

With the arrival of the COVID-19 pandemic, Martin County’s revenues are being negatively impacted in the current year, as well as in FY 2020-21. Additionally, COVID-19 is increasing expenses, as well. While the county may eventually receive some reimbursements for COVID-19 costs through federal and state sources, the extent of reimbursements is unknown at this time.

Additionally, staff has worked to adjust revenue forecasts, due to COVID-19. The FY 2020-21 budget is based on a 5% decrease in sales tax revenue and a 1% decrease in the collection rate (from 95% to 94%) for property taxes.

Budget cuts have been made in every department / office.

Furthermore, the FY 2020-21 budget is based on additional use of the Fund Balance from the General Fund and the Hospital Fund to balance the budget. Times like this are some of the reasons for having adequate savings. This situation needs to be continuously monitored over the next few years and appropriately managed so Martin County does not grow overly reliant on its savings. Such a practice is not sustainable.

Budget Development Process

Departments and County Agencies submitted their budget requests to the County Manager by February 21, 2020. Presentations to the Board of Commissioners on these requests were scheduled for March 18, 2020, and outside agencies were scheduled to present their budget requests to the Board of Commissioners on March 25th; however, these budget presentation meetings were canceled, due to the Coronavirus (COVID-19) pandemic. On April 29, 2020, the Board of Commissioners held a joint budget meeting with the Board of Education via web-conference.

Statutory Requirements

North Carolina General Statute § 159-11(b) requires the County Manager to submit a proposed budget and budget message to the governing body by June 1st of each year. On the same day that

the budget is presented to the governing body, the budget officer shall file a copy of it in the office of the clerk for public inspection and schedule a public hearing. This public hearing has been scheduled for the regularly-scheduled Board of Commissioners Meeting on June 10, 2020 at 7:00 p.m.

The governing body must adopt the annual budget ordinance by July 1st [North Carolina General Statute 159-13(a)]. However, North Carolina General Statute § 159-16 directs that if the budget ordinance is not adopted by July 1st, the governing body must adopt “interim appropriations for the purpose of paying salaries, debt service payments, and the usual ordinary expenses” of the county until the ordinance is adopted. North Carolina General Statute § 159-13 specifies that not earlier than 10 days after the budget is presented to the governing body and not later than July 1st, the governing body shall adopt a budget ordinance. Otherwise, the Board of Commissioners may adopt an interim budget ordinance to be effective from July 1st to August 1st.

Budget Includes the General Fund, Enterprise Funds and Other Funds

The County budget is composed of revenues and expenditures for several funds, including the General Fund, the Water District (Enterprise) Funds and Other Funds. The General Fund accounts for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds. Enterprise funds consist of a grouping of activities whose expenditures are wholly or partially offset by revenues collected from consumers in form of fees and charges. Enterprise funds are traditionally run more “like a business”.

Revaluation

North Carolina General Statute § 105-274 states all real and personal property located within its jurisdiction shall be subject to taxation unless it is otherwise exempted or excluded from taxation by law. North Carolina General Statute § 105-286 requires each county to conduct a General Reappraisal of all real property at least once every eight years. Martin County’s most recent revaluation was concluded as of Jan. 1, 2017. The next revaluation should be completed by January 1, 2025. The primary purpose of any revaluation program is to provide equalization among all property owners, as well as among all classes of property.

Since property taxes are based on value, it is important to have all property valued periodically on a uniform basis, using a modern system of valuation. Property values change with time. Some values go up, some go down, and others remain static. Appraisals must be updated, or inequities in tax distribution will result.

Reappraisals cover all residential and commercial land and structures, which includes homes, apartments, condominiums, office buildings, stores and warehouses. Reappraisals do not include what is classified as individual personal property, such as vehicles, boats, airplanes, and business equipment. These property types are valued annually.

North Carolina General Statute § 105-283 requires appraisals to be made of each property’s “true value in money” or “fair market value”, which is the most probable price a property would bring in a competitive and open market. Property values for a reappraisal are determined by comparing what similar properties are selling for, what it would cost to replace one’s property, the potential income or highest and best use of one’s property, as well as many other factors that may affect value.

During the revaluation, professional appraisers analyze data by reviewing of properties and establish the estimated fair market value (i.e., the price a willing seller would receive from a willing buyer).

FY 2020-21 BUDGET SNAPSHOT

- **TAX RATE:** The budget is based on maintenance of the current tax rate of \$0.81 per \$100 valuation, plus the applicable fire district tax.
- **TAX VALUATION / TAX COLLECTION RATE:** The county is expecting an increase in property value of about \$45,000,000, or about 2.5%. At the current tax rate of \$0.81 per \$100 valuation, that represents an increase of about \$364,500. However, due to economic factors related to COVID-19, Martin County is forecasting a drop in the collection rate – from 95% to 94%. A 1% drop in the collection rate equates to about \$145,000. One penny on the tax rate equates to about \$166,000 in property tax revenue.
- **WATER RATE:** The water rate will stay at the current base rate of \$50 per month.
- **RAISES:** The budget does not include a cost-of-living or merit raise for employees.
- **STAFFING:** The budget includes funding for no new, permanent positions. The budget does include the county’s match (approximately \$20,000) for the Lead for North Carolina Fellowship program for one year. There is no obligation for the county’s participation in this program past one year.
- **HEALTH INSURANCE:** The cost of the State Health Plan for employee health insurance will increase in January 2021. The amount of this increase will not be known until September or October 2020. An increase of \$22,000 in health insurance costs is estimated for the last six months of the fiscal year (January 2021 – June 2021).
- **RETIREMENT EXPENSES:** The cost of the Local Government Retirement System will cost an extra \$92,000 in 2020-21, which is a 1.2% increase. This is the second of at least three annual increases.
- **BOARD OF EDUCATION:** The Board of Education requested \$6,098,631 in Current Expenses, an increase of \$54,424 over the amount the county budgeted in 2019-20; \$6,000,000 is included in the draft budget.
- The Board of Education requested \$901,638 in Capital Outlay (not including the \$1 million investment in the Career Technical Center), an increase of \$361,766 over what the county provided for capital outlay for the Board of Education in 2019-20. Funding Capital Outlay at \$500,000 is included in the 2020-21 draft budget.
- The Martin County Board of Education applied for a Needs-Based Public School Capital Fund grant again in 2018, and a grant award of \$5.3 million was announced on October 8, 2018. The stipulations for the grant funding for the Career Technical Center project require the Board of Education / county to relinquish lottery funds for a 5-year period. This amounts to about \$280,000 per year. The County used the lottery proceeds to help make the debt service payment on Riverside Middle School. The last debt service payment on Riverside Middle School will be made in June 2026. Martin County will have to make up the \$280,000 difference in lottery proceeds in FY 2020-21 and through June 2026.

Martin County Schools and Martin County rely on grant funds from the NC School Safety Grant Program to help pay for School Resource Officer positions in each school. Without this

grant funding, funding the positions will be a challenge for the Board of Education and Martin County. A legislative solution is being sought, but if the solution is obtained, the timing is unknown. The Board of Education did not include local funding for School Resource Officer positions in its FY 2020-21 budget request to the county. If this grant is extended, the Board of Education will have to either use its Fund Balance or seek funding from the county in FY 2020-21.

The salaries for all eight SRO's are included in the budget, but the Board of Education budgeted only for four SRO positions, due to the grant not being extended. The Board of Education pays for the salaries and benefits for the SRO's, and the county pays for the remaining expenses (vehicle, uniforms, gasoline, etc.)

- **MARTIN COMMUNITY COLLEGE:** MCC requested \$1,044,054 in Current Expenses and \$60,000 in Capital Outlay (total of \$1,104,054). Last year, Martin County funded \$1,029,054 for Current Expenses and \$60,000 for Capital Outlay (total of \$1,089,054) for MCC. The 2020-21 budget maintains the 2019-20 level of funding for MCC – a total of \$1,089,054.
- **JAIL:** The 2019-20 funding level for the Bertie-Martin Regional Jail (\$1,346,486) will be maintained in 2020-21.
- **YOUTH DETENTION:** This budget decreases the line item for youth detention from \$70,000 to \$30,000.
- **DRUG RECOVERY COURT:** \$10,000 is included in the 2020-21 budget for the Drug Recovery Court initiative that was started in 2019-20.
- **HEALTH DEPARTMENT:** Martin-Tyrrell-Washington District Health requested maintenance of the current funding level of \$378,733. The 2020-21 budget includes \$378,733 for MTW District Health.
- **MENTAL HEALTH:** The budget includes maintenance of the current funding of \$48,462 for Trillium.
- **LIBRARY:** The Beaufort-Hyde-Martin (BHM) Regional Library requested maintenance of the current funding of \$104,194. The 2020-21 budget maintains \$104,194 for the BHM Regional Library.
- **ECONOMIC DEVELOPMENT:** The contribution to Martin County Economic Development decreased from \$160,853 to \$154,061. There are economic development investment grants included in the budget, including grants for Domtar and AR Textiles. The amount of the budget line item for these grants have increased from \$210,000 to \$440,000, based on new corporate investments. The number and amount of economic development grants may increase during the budget year.
- **CADA:** The Choanoke Area Development Agency (CADA) is the Community Action Agency and Community Services Block Grant (CSBG) administrator serving Martin County. Its mission is to assist low income citizens achieve self-sufficiency. \$45,000 was requested. Maintenance of the current level of funding (\$25,000) is included in the 2020-21 budget.
- **RESCUE SQUADS:** Martin County currently provides each rescue squad with a flat funding level of \$32,500. Additionally, the County provides \$55 per call for rescue calls, as well as an additional \$5 per call increase for squads providing an Advanced Life Support (ALS) level of

service, rather than Basic service. This was implemented an incentive for squads to provide an Advanced Life Support (ALS) level of service. Robersonville, Jamesville and Williamston provide ALS service. The amount of funding for rescue squads has decreased from \$447,500 to \$442,390, based on call volume.

- **CAPITAL OUTLAY:** Major Capital Outlay expenses include the replacement of the compactor at the Landfill (\$60,000 for installment purchase), the replacement of 6 vehicles in the Sheriff's Office, 1 vehicle for Emergency Management, 1 vehicle for the Water Department and replacement of 3 vehicles in Transit (cost of \$205,000; 85% grant funded).
- **BUILDING MAINTENANCE:** \$125,000 is budgeted for courtyard and sidewalk repairs at the Governmental Center and \$40,000 is included for floor repairs at Moratoc Park. \$30,000 is budgeted for renovations to the District Courtroom. Also, funding is included in the Transit budget for storage building renovations, site improvements and improvements (cost of \$169,758; 85% grant funded).
- **DEBT SERVICE:** Debt service for a used compactor (estimated purchase price of \$250,000) for the Landfill is proposed.
- **USE OF SAVINGS:** The budget includes a Fund Balance appropriation of \$2,364,307 and a transfer of \$1,566,667 from the Hospital Fund.

Ongoing Concern about Water Districts' Financial Health

Martin County Water Districts 1 & 2 continue to struggle with funding operational needs, debt service and capital reserves. Water Districts 1 & 2 are Enterprise Funds, which are traditionally run more "like a business". Revenues in Water District 1 did not cover debt service payments and expense in 2019. At June 30, 2019, District 1 owed the General Fund \$379,145. Revenues in Water District 2 have not been covering debt service payments and expenses. Water District #2 is a younger district and has more debt. At June 30, 2019, Water District 2 owed the General Fund \$1,256,529.

The Water Districts continue to struggle absorbing the additional cost to purchase water from the Martin County Water and Sewer Authority (MCRWASA). Due to MCRWASA's debt service and operational needs, the Town of Williamston and Water Districts 1 & 2 began making payments to MCRWASA, effective July 1, 2015. The MCRWASA water treatment plant began distributing water to its member organizations March 1, 2016.

For 2020-21, the MCRWASA wholesale water rate (the rate charged by MCRWASA to the Town of Williamston and Martin County Water Districts #1 and #2) will increase from \$5.63 per 1,000 gallons to \$5.80 per \$1,000 gallons.

The 2020-21 budget does not increase the water rates for Martin County Districts 1 & 2. In 2018-19, the base monthly was increased from \$42 per month to the current rate of \$50 per month. 1,000 gallons of water is included in the base rate. The usage fee for additional water usage remains at \$8.50 per 1,000 gallons. Martin County still faces challenges in regards to the financial health of the water districts. The NC Local Government Commission (part of the NC Treasurer's Office) reviews the annual financial statements / audit reports for all local governments in NC. As a result of their review of Martin County's audit report, the LGC has expressed concern about the rate structure not creating enough revenue to support operating expenses and capital needs. Martin

County is on the LGC’s “watch list”, due to the financial challenges facing the districts, and a consultation visit was held in 2019.

Martin County Water Districts 1 & 2 are relatively young – District 1 became operational in 2001 and District 2 in 2006. The customer base of both districts totals less than 1,900 households, with only a few commercial customers. This is well below the projections provided at the beginning of these projects, and therefore, revenues have not achieved projected levels.

The Martin County Water Department is a lean, efficient organization with limited opportunities for cost savings through further cost control measures. In December 2014, Martin County did refinance the construction debt for Water Districts 1 & 2 by issuing bonds. The bonds were very well received in the market, and Martin County should receive about \$2.7 million in savings for repaying the Water Districts 1 & 2 debt over the bond term; however, most of the savings will be realized on the tail end of the debt repayment – after 2044.

Martin County is a rural county with a decreasing population base and limited development. In 2010, the population in Martin County was 24,505. As of 2018, it was estimated at 23,264. Martin County loses about 1% of its population each year. The declining population base limits the opportunity for expansion of the service area / customer base.

Use of Savings

The County’s savings consists of the Fund Balance from the General Fund, as well as the Hospital Fund. The state requires a minimum of 8% in the Fund Balance for cash flow purposes. The 8% Fund Balance requirement is the minimum amount needed for cash flow. Martin County’s main source of revenue is the property tax, which is mostly collected between November and January. The County needs its cash reserves to pay for bills in July, August, September and October. Additionally, the County needs to maintain a certain amount of reserves for unforeseen events, such as hurricanes.

A Fund Balance Policy was established on April 10, 2013 and is intended to address the needs of Martin County in the event of unanticipated and unavoidable occurrences which could adversely affect the financial condition of the County. This policy ensures the County maintains adequate fund balance and reserves in the County’s general fund balance to provide sufficient cash flow for daily financial needs, provide funds for unforeseen expenditures, and offset significant economic downturns or revenue shortfalls. The Board of Commissioners adopted a policy / goal of maintaining a Fund Balance of 20%. As of June 30, 2019 the Martin County Available Fund Balance (according to the LGC definition, not the CAFR) was approximately \$7.8 million (or about 26.8%). According to the CAFR definition of “Unassigned” Fund Balance, Martin County has approximately \$7.7 million (or about 26.5%). The following is the historical trend for the County’s Total General Fund - Fund Balance:

YEAR	TOTAL
2019	\$11,510,902
2018	\$11,994,271
2017	\$11,972,890
2016	12,033,819
2015	10,599,984

2014	8,648,701
2013	6,694,544
2012	7,441,804
2011	8,892,145
2010	9,353,041
2009	10,087,996

The Hospital Fund consists of lease payments paid in advance for a 30-year lease, which was entered into in 1998. 1/30th of these funds are considered “earned” for each year of actual use of the hospital building. Accounting principles dictate that the County should not spend lease payments until they have been “earned”. In the Hospital Fund, as of June 30, 2019, the County had about \$12.7 million. The earned revenue in the Hospital Fund as of June 30, 2019 was about \$7.48 million.

YEAR	TOTAL	EARNED, AVAILABLE
2019	\$12,729,912	\$7,488,250
2018	\$13,546,770	\$7,738,441
2017	\$12,411,798	\$6,036,802
2016	12,380,235	5,438,572
2015	13,115,690	5,607,359
2014	14,806,697	6,731,700
2013	15,779,000	7,137,336
2012	15,851,383	6,643,052
2011	16,016,113	6,241,115
2010	16,048,998	5,707,333
2009	16,134,334	5,226,002

NOTE: In FY 2018, Martin County sold the shell building in the industrial park to Weitron. The shell building was built with a combination of Golden Leaf grant funds, US CIAP (federal) funds and local funds. When the property was sold, a pro rata share of the sale proceeds (\$1,062,693) was returned to the Hospital Fund. The pro rata shares of the sale proceeds that originated from Golden Leaf and US CIAP are being managed by Martin County EDC. The Golden Leaf funds are restricted for the development for future shell building / sites in the industrial park.

Looking Ahead

A number of issues with budget implications are in the foreseeable future for Martin County. These issues include the following:

1. With the arrival of the COVID-19 pandemic, staff has worked to adjust revenue forecasts. The FY 2020-21 budget is based on a 5% decrease in sales tax revenue and a 1% decrease in the collection rate (from 95% to 94%) for property taxes. While the county may eventually receive some reimbursements for COVID-19 costs through federal and state sources, the extent of reimbursements is unknown at this time. The COVID-19 situation is fluid, changing daily. The federal and state government response strategies continue to evolve, and Martin County will continue to monitor the situation to take advantage of new resources.

2. Martin County Schools and Martin County rely on grant funds from the NC School Safety Grant Program to help pay for School Resource Officer positions in each school. Without this grant funding, funding the positions will be a challenge for the Board of Education and Martin County. A legislative solution is being sought, but if the solution is obtained, the timing is unknown. The Board of Education did not include local funding for School Resource Officer positions. If this grant is extended, the Board of Education will have to either use its Fund Balance or seek funding from the county. Even if a short-term solution is implemented for 2020-21, a conversation between the Board of Commissioners and Board of Education concerning funding School Resource Officer positions may prove helpful.
3. As aforementioned, Martin County continues to struggle with the debt service from Martin County Water Districts #1 and #2, as well as a small customer base. This situation is exacerbated by the debt service and operational costs of the Martin County Regional Water and Sewer Authority (MCRWASA). Martin County is a partner in MCRWASA, and Martin County Water Districts #1 and #2 purchase treated water on a wholesale basis from MCRWASA.
4. The budget relies significantly on the use of savings to balance the budget. This situation needs to be continuously monitored over the next few years and appropriately managed so Martin County does not grow overly reliant on savings. Such a practice is not sustainable.
5. In recent years, Martin County Schools has relied on its Current Expense Fund Balance to balance its budget. At June 30, 2019, Martin County Schools had \$2,820,397 in its Current Expense Fund Balance. In 2019-20, Martin County Schools budgeted \$915,653 from its Fund Balance. While Martin County Schools does not expect to use this amount of its Fund Balance in 2019-20, its Current Expense Fund Balance is decreasing, and Martin County's Fund Balance is decreasing, as well. Further erosion of the Fund Balances of each jurisdiction will create additional budgeting challenges in future years.
6. The Martin County Board of Education applied for a Needs-Based Public School Capital Fund grant in 2018, and a grant award of \$5.3 million was announced on October 8, 2018. The stipulations for the grant funding for the Career Technical Center project require the Board of Education / county to relinquish lottery funds for a 5-year period. This amounts to about \$280,000 per year. The County used the lottery proceeds to help make the debt service payment on Riverside Middle School. The last debt service payment on Riverside Middle School will be made in June 2026. Martin County will have to make up the \$280,000 difference in lottery proceeds through June 2026.

The manager recommends the Board of Education explore its Public School Building Capital Fund (PSBCF) to help fund the Career Technical Center project, various technology needs and various other capital needs, particularly through 2026. After 2026, the Lottery funds given up for the Career Technical Center grant will be restored, and the debt service on Riverside Middle School will be fully paid.

7. Martin County continues to lose population. In 1980, Martin County's population was 25,866. Currently, it is 23,264 (July 2018 Certified Population Estimate, NC Department of Commerce). Projections indicate population will decrease to about 20,410 over the next 12 years (source: Martin County Comprehensive Land Use and Wellness Plan). The population decrease directly affects certain population-based revenues and raises issues such as school

consolidation. Also, a decrease in population negatively impacts the need for new construction / investment and the County's property tax base. Martin County will continue to experience financial challenges, due to the declining population.

8. Martin County will continue to struggle addressing the capital maintenance needs of the County, Martin Community College and Martin County Schools unless revenues improve.
9. In order to retain and recruit high performing employees, Martin County will need to keep an eye on the market rate of salaries in nearby jurisdictions, particularly in public safety positions.

While Martin County has some challenges, a number of positive factors also provide some optimism for the future:

1. In December 2015, the federal government designated the US-64 / US-17 corridor as a "future interstate." In May 2016, the corridor was given the I-87 number. An interstate highway between Raleigh, NC and Norfolk, VA will increase mobility between two significant metropolitan areas in our adjoining states and enhance economic development for citizens and jurisdictions in between. Having the "future interstate" designation in place enhances the attractiveness of the region for economic development and industry investment. Furthermore, the NCDOT has applied for federal INFRA grant funding, which would expedite the development of the US-64 portion of the future I-87 corridor to interstate standards.
2. Martin County continues to make improvement to its industrial park, and the park is well positioned for growth. To take advantage of its rail assets and the future I-87 interstate designation, Martin County rebranded the park to the "North Carolina Rail & Commerce Park". On March 11, 2020, the Board of Commissioners approved a tank maintenance contract and a modified gravity sewer construction project contract in the park. The work is being funded through a \$1,013,940 Rural ReadySites grant from the North Carolina Department of Commerce.
3. Martin County Schools (in partnership with Martin County, Martin Community College and Martin County Economic Development Commission) will be renovating the former NC Telecenter property into a Career Technical Center. The Martin County Board of Education received a Needs-Based Public School Capital Fund grant award of \$5.3 million for the center on October 8, 2018. Construction of the project is expected to begin in the late summer of 2020. The project will assist the county in advancing its educational and workforce development goals.

Conclusion

Planning and preparing for the future is fundamental to the effective governance and management of a County. The County staff has worked diligently to present a balanced budget which will meet the needs of our citizens, while striving to be good stewards of the funds which they have entrusted to us. I offer my gratitude to Finance Officer Cindy Ange, County Clerk Jessica Godard and the entire staff for their help preparing this budget. I also thank the Board of Commissioners for its input in the development of the budget and for its continued leadership to Martin County.

Respectfully submitted,

David Bone

County Manager”

Vice Chairman Bond thanked County Manager Bone and staff for the preparation of the budget and for explaining it in detail. He felt county staff could work with Board of Education staff in finalizing their budget requests. Vice Chairman Bond was satisfied with the draft budget.

Commissioner Lilley thanked County Manager Bone for the budget preparation and the efforts that go into that. Commissioner Lilley was satisfied with the draft budget with estimates during tough times.

Commissioner Smith expressed thanks to County Manager Bone and staff with putting the budget together. Commissioner Smith addressed the proposed decrease in revenues from sales taxes, and stated it would still take more time to fully understand the losses. He was in agreement to wait until the end of June 2020 to adopt a budget because things were changing so fast daily.

Commissioner Ayers expressed thanks to the Department Heads for being able to make cuts and keep their budgets to the bare minimum, which was helpful in putting together the draft budget. Commissioner Ayers felt there were some additional cuts that could be made, and felt more work could be done on the budget to cut back as much as possible and to reduce use of fund balance as much as possible. Commissioner Ayers felt the Board should consider some cuts for some of the outside agencies, as well.

Chairman Bowen thanked County Manager Bone and staff for their hard work in putting together the draft budget.

County Manager Bone stated he appreciated the Commissioners comments regarding the team within Martin County, and expressed the whole team was vital. There was a desire to schedule an additional budget work session in the future prior to the budget public hearing. County Manager Bone suggested having a special called meeting towards the end of May 2020 in order to have a revised proposed budget to present to the Board at the June 10, 2020 meeting.

OLD BUSINESS -- None

NEW BUSINESS

Conveyance of Former Jamesville Middle School Property to NERSBA

The Board of Education directed Superintendent Chris Mansfield on April 1, 2019 to send a letter to the Board of Commissioners to ask if the County is willing to assume ownership of the former Jamesville High School (NERSBA) property in Jamesville. The property is currently being used by the Northeast Regional School of Biotechnology and Agriscience (NERSBA). NERSBA is a regional high school serving as a statewide model for STEM education in agriscience and biotechnology. The school started in 2012 at the Vernon James Research and Extension Center in Roper. NERSBA has been utilizing the former Jamesville High School property since approximately 2014. NERSBA has an interest in obtaining ownership of the property.

The disposition of school property is governed by NC General Statute § 115C-518 (attached). Part of this statute states:

“...Provided, when any real property to which the board holds title is no longer suitable or necessary for public school purposes, the board of county commissioners for the county in which the property is located shall be afforded the first opportunity to obtain the property. The board of education shall offer the property to the board of commissioners at a fair market price or at a price negotiated between the two boards. If the board of commissioners does not choose to obtain the property as offered, the board of education may dispose of such property according to the procedure as herein provided...”

At the April 10, 2019 Board of Commissioners meeting, Commissioner Smith made a MOTION to accept the offer from Martin County Schools for the sale of the former Jamesville High School Building, and to give the County Manager and the School Superintendent the opportunity to work out any details. Commissioner Lilley SECONDED. The Board APPROVED the motion unanimously.

County Manager Bone and Superintendent Mansfield had been coordinating with Mr. Hallet Davis, Principal of NERSBA, concerning the property. Recently, County Manager Bone and Superintendent Mansfield negotiated a purchase price of \$25,000. At its March 2, 2020 meeting, the Board of Education approved the purchase price of \$25,000.

At its April 8, 2020 meeting, the Board of Commissioners exercised its option to obtain from the Martin County Board of Education the former Jamesville High School (NERSBA) property in Jamesville, NC “As Is” for the negotiated price of \$25,000 and to authorize the Chairman, County Manager and County Attorney to execute any and all documents related to this purchase.

Martin County closed on the property on May 5, 2020.

NC General Statute § 160A-279 allows a county to convey a public property to any public or private entity which carries out a public purpose. This is similar to a county providing funding consideration to a public entity or nonprofit as part of the annual budget process.

The Commissioners were presented with a draft of the resolution that would authorize the conveyance of the real property to NERSBA.

A notice of the resolution must be published in the local newspaper, and the conveyance of the property may not be completed until at least 10 days after the public notice. After running the public notice, Martin County was expected to convey the property to NERSBA in mid-June, 2020.

Commissioner Smith made a MOTION to approve the resolution authorizing the conveyance of the former Jamesville Middle School property to NERSBA, with a SECOND from Vice Chairman Bond. The Board APPROVED the motion unanimously.

Consideration of Resolution to Request Lifting of the Economic Shutdown and Returning Business, Social and Religious Activities to Normal Operations

Commissioner Joe Ayers was requesting the Board of Commissioners consider adopting a resolution in support of returning local business, social activities to normal operations with conditions. If adopted, the resolution would be disseminated to Governor Roy Cooper, members of the General Assembly, and to every county in North Carolina.

Commissioner Ayers stated he had received so many calls from business people in the community about the poor economic state due to the economic shutdown. Commissioner Ayers stated there had been many lost business in the county. Commissioner Ayers stated there were 30 counties in the United States with 50% of the virus cases, with 24 of those counties being in the Northeastern US. He stated the shutdown was a “one-size-fits-all” shutdown, and was not relevant to rural Martin County. Commissioner Ayers stated this would be a simple request to the Governor because this shutdown was killing the local and national economy. The larger companies were operating business as usual, but the small businesses were suffering immensely because of the economic shutdown.

Commissioner Smith stated he agreed that businesses were being hurt but felt Martin County should continue listening to Gov. Cooper and Secretary Cohen and others, for the safety of all citizens. Therefore, he stated he could not support sending this resolution to the Governor and wanted to support the Governor’s plan.

Commissioner Lilley was in favor of the resolution and felt businesses needed to re-open as soon as possible because of citizens facing economic hardships. Commissioner Lilley felt there should be a time when the state leaders listen to the local citizens.

Vice Chairman Bond stated after listening to the information from the Health Director at this meeting, he was not in favor of doing anything until after Phase I was over on May 23, 2020. Vice Chairman Bond felt the well-being of the citizens was most important at this time and now was now the time to pursue this resolution.

Chairman Bowen stated the resolution would just be sent to the Governor and nothing would be re-opened based on the resolution. The resolution would simply let the Governor know how badly businesses needed to be re-opened. Chairman Bowen stated he received many phone calls daily about this subject, and he felt it was important to let citizens and business owners know the Commissioners supported re-opening.

Commissioner Ayers added the NC Sheriff’s Association voted to not withhold the Governor’s orders. Commissioner Ayers expressed his concerns about the Governor’s actions.

Commissioner Ayers made a MOTION to adopt the Resolution to Request Lifting the Economic Shutdown and Returning Business, Social, and Religious Activities to Normal Schedules, with a SECOND from Commissioner Lilley. The motion PASSED 3-2.

FOR: Lilley, Ayers, Bowen
AGAINST: Smith, Bond

Consideration of Resolution to Waive Occupancy Tax Late Fees for a Three Month Period and Suspension of Occupancy Tax for a Two Month Period

The collection of an Occupancy Tax in North Carolina is authorized by NC General Statute 105-164.4(a)(3) and in accordance with NC General Statute 105-164.4F.

The Martin County Tourism Development Authority was established under the authority of the NC General Assembly, Session Law 1991-80 (House Bill 688). The same legislation authorized the Martin County Board of Commissioners to levy a room occupancy tax to further the

development and promotion of travel, tourism, cultural, recreational and historic activities in Martin County.

Session Law 2006-127 (House Bill 350) allows Martin County to collect up to 6% in Occupancy Tax.

Our community, country and world are in the midst of a health and economic crisis, due to the COVID-19 coronavirus. No business or individual has been spared locally, including our hotel industry.

County Manager Bone reported the Martin County Tourism Development Authority was completely funded through the Occupancy Tax. These funds were then solely used by the TDA to promote tourism and events that may draw visitors to our community. The economic intent was that these visitors purchase goods and services while in the county, and thus provide economic value to the community as a whole. The hotels are partners with Martin County and Martin County TDA in this equation.

In the COVID-19 environment, a number of other communities are supporting this industry by making temporary adjustments in the Occupancy Tax. Guidance from the School of Government on this matter is described in a March 19, 2020 blog post.

“Occupancy taxes may also be reduced or eliminated entirely by a local government. However, under the boilerplate occupancy tax provisions in GS 152-155 and GS 160A-215, any reduction or repeal of an occupancy tax does not take effect until the end of the fiscal year in which the repeal or reduction occurs. This means that **any reduction or repeal a local government’s occupancy tax that occurs at any time between now and June 30, 2020 will not take effect until July 1, 2020. It is not possible to reduce or eliminate occupancy taxes for the rest of this fiscal year (March, April, May and June).** The board may waive interest and penalties for late payments of those taxes, but it cannot eliminate the tax entirely until July 1, 2020.

The Board of Commissioners was asked to consider some temporary adjustments to assist this industry. The TDA is fortunate to have a Fund Balance that allows temporary adjustments to be made without jeopardizing its long-term financial stability. Through adoption of the attached resolution, the Board of Commissioners was asked to:

- Suspend the late fees and interest payments for Occupancy Taxes collection payments for April 2020 – June 2020 and make them due in October 2020. (This would assist the hoteliers with cash flow.)
- Discontinue the Occupancy Tax for July and August 2020 and reinstate it in September 2020. (This would allow the hoteliers to restructure their rates and maximize their operating budgets as the travel market, hopefully, re-emerges.)

Vice Chairman Bond made a MOTION to adopt the Resolution Regarding Temporary Adjustments to Occupancy Tax in Martin County due to COVID-19, with a SECOND from Commissioner Lilley. The Board APPROVED the motion unanimously.

BUDGET AMENDMENTS

Budget Amendment #23

The disposition of school property is governed by NC General Statute and requires the Board of Education to offer the property to the Board of Commissioners at a fair market price or at a price negotiated between the two boards.

The Martin County Board of Education was offering to sell the Martin County Board of Commissioners the Northeast School of Biotechnology and Agriscience for \$25,000. Budget Amendment #23 allocated funding for this purchase.

Commissioner Smith made a MOTION to approve Budget Amendment #23, with a SECOND from Commissioner Lilley. The Board APPROVED the motion unanimously.

BUDGET ORDINANCE AMENDMENT-23

BE IT ORDAINED by the Board of Commissioners of Martin County, North Carolina, that the following amendments be made to the annual budget ordinance for the fiscal year ending June 30, 2020.

Section 1. To amend the General Fund, the expenditures are to be changed as follows.

	Increase	Decrease
Commissioners		
Capital Outlay	\$ 25,000	

This will result in an increase of \$25,000 in the expenditures of the General Fund. To provide an increase in the revenues for the above, the following revenues will be changed.

Fund Balance`	\$ 25,000
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Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board and to the Finance Officer for their direction.

Budget Amendment #24

The Sheriff’s Office sold 45 firearms in order to purchase 45 new firearms. The County received \$11,330 from Doug James Firearms for the used firearms, which would be applied to the purchase of new firearms.

Commissioner Lilley made a MOTION to approve Budget Amendment #24, with a SECOND from Commissioner Ayers. The Board APPROVED the motion unanimously.

BUDGET ORDINANCE AMENDMENT-24

BE IT ORDAINED by the Board of Commissioners of Martin County, North Carolina, that the following amendments be made to the annual budget ordinance for the fiscal year ending June 30, 2020.

Section 1. To amend the General Fund, the expenditures are to be changed as follows.

	Increase	Decrease
Public Safety - Sheriff Capital Outlay	\$ 11,330	

This will result in an increase of \$11,330 in the expenditures of the General Fund. To provide an increase in the revenues for the above, the following revenues will be changed.

Fund Balance`	\$ 11,330
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Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board and to the Finance Officer for their direction.

Budget Amendment #25

The Juvenile Community Programs Section of the NC Department of Public Safety awarded \$9,600 in additional funding to the Riverside Youth Intervention Program.

There was no additional match required for these funds.

Commissioner Ayers made a MOTION to approve Budget Amendment #25, with a SECOND from Commissioner Lilley. The Board APPROVED the motion unanimously.

BUDGET ORDINANCE AMENDMENT-25

BE IT ORDAINED by the Board of Commissioners of Martin County, North Carolina, that the following amendments be made to the annual budget ordinance for the fiscal year ending June 30, 2020.

Section 1. To amend the General Fund, the expenditures are to be changed as follows.

	Increase	Decrease
Human Services Office of Juvenile Justice	\$ 9,600	

This will result in an increase of \$9,600 in the expenditures of the General Fund. To provide an increase in the revenues for the above, the following revenues will be changed.

Restricted Intergovernmental	\$ 9,600
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Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board and to the Finance Officer for their direction.

Budget Amendment #26

A Martin County DSS employee was involved in an accident on February 06, 2020 in a county van, returning from a training in Halifax County. A tornado came through the area and tore apart a grain bin, which then slammed into the van. The employee was not injured.

The total cost to repair the Dodge van was \$4,829, and the County was reimbursed \$3,829 (the cost minus the deductible of \$1,000). Budget Amendment #26 appropriated the funds to pay for the repair.

Commissioner Smith made a MOTION to approve Budget Amendment #26, with a SECOND from Vice Chairman Bond. The Board APPROVED the motion unanimously.

BUDGET ORDINANCE AMENDMENT-26

BE IT ORDAINED by the Board of Commissioners of Martin County, North Carolina, that the following amendments be made to the annual budget ordinance for the fiscal year ending June 30, 2020.

Section 1. To amend the General Fund, the expenditures are to be changed as follows.

	Increase	Decrease
Human Services		
DSS	\$ 3,829	

This will result in an increase of \$3,829 in the expenditures of the General Fund. To provide an increase in the revenues for the above, the following revenues will be changed.

Insurance Proceeds	\$ 3,829
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Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board and to the Finance Officer for their direction.

Budget Amendment #27

On June 20, 2019, a storm blew the entire roof off the historic tobacco barn at Moratoc Park. The County filed for damages and received \$4,378 from the NCACC Risk Pool.

The structural maintenance staff had been working since the storm to find a contractor to repair the roof. B&B Home Repair had agreed to the project and had begun work.

Commissioner Lilley made a MOTION to approve Budget Amendment #27, with a SECOND from Commissioner Ayers. The Board APPROVED the motion unanimously.

BUDGET ORDINANCE AMENDMENT-27

BE IT ORDAINED by the Board of Commissioners of Martin County, North Carolina, that the following amendments be made to the annual budget ordinance for the fiscal year ending June 30, 2020.

Section 1. To amend the General Fund, the expenditures are to be changed as follows.

	Increase	Decrease
General Government		
Structural Maintenance	\$ 4,378	

This will result in an increase of \$4,378 in the expenditures of the General Fund. To provide an increase in the revenues for the above, the following revenues will be changed.

Insurance Proceeds	\$ 4,378
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Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board and to the Finance Officer for their direction.

Budget Amendment #28

Martin County Department of Aging and Adult Services had received notification of final awards on several grants that are more than originally budgeted.

The Senior Health Insurance Information Program (SHIIP) supplies funds for supplies and training for the Medicare Part D program. Provided by the NC Department of Insurance funds are allocated based on past performance.

The Aging Grant provides funds for several programs including home delivered meals, medical and general transportation, in home aide and personal care, and housing and home improvement.

The General Purpose Grant provided by the NC Department of Health and Human Services was based on the department's certification. Martin County would receive an additional \$5,693 annually based on becoming a Center of Excellence.

The Medicare Improvements for Patients and Providers Act (MIPPA) Grant is used to enhance the SHIIP program and enables staff to provide a higher level of service.

Commissioner Lilley made a MOTION to approve Budget Amendment #28, with a SECOND from Commissioner Smith. The Board APPROVED the motion unanimously.

BUDGET ORDINANCE AMENDMENT-28

BE IT ORDAINED by the Board of Commissioners of Martin County, North Carolina, that the following amendments be made to the annual budget ordinance for the fiscal year ending June 30, 2020.

Section 1. To amend the General Fund, the expenditures are to be changed as follows.

Increase	Decrease
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Human Services
Aging and Adult Services \$6,021

This will result in an increase of \$ 6,021 in the expenditures of the General Fund. To provide an increase in the revenues for the above, the following revenues will be changed.

Restricted Intergovernmental \$6,021

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board and to the Finance Officer for their direction.

BOARD REPORTS / COMMISSIONERS' COMMENTS

Chairman Bowen thanked the staff for making adjustments needed to continue conducting business while allowing everyone to be home and stay safe.

ADJOURNMENT

With no further business to discuss, Vice Chairman Bond made a MOTION to adjourn the meeting, with a SECOND from Commissioner Ayers. Chairman Bowen adjourned the meeting at 8:59 p.m. The next regular meeting would be held on Wednesday, June 10th, 2020 at 7:00 p.m. in the Commissioners Boardroom.

Tommy Bowen, Chairman

Jessica Godard, Clerk to the Board