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

**PRESENT:**
Kevin Gordon, Chairman  
Deb Hardin, Vice-Chair  
Johnny Hutchins, Commissioner  
Ronnie Whetstine, Commissioner  
Doug Bridges, Commissioner  
Tim Moore, County Attorney  
Brian Epley, County Manager  
Phyllis Nowlen, Clerk to the Board  
Kerri Melton, Assistant County Manager  
Tiffany Hanson, Health Department Director  
Martha Thompson, Chief Deputy Attorney  
Allison Mauney, Human Resources Director  
Sherry Lavender, Tax Assessor  
Betsy Harnage, Register of Deeds  
Scott Bowman, Maintenance Director

**CALL TO ORDER**
Chairman Gordon called the meeting to order, and members of the Cleveland County Veteran’s Advisory Board provided the invocation and led the audience in the Pledge of Allegiance.

**AGENDA ADOPTION**
**ACTION:** Commissioner Whetstine made the motion, seconded by Commissioner Hutchins and unanimously adopted by the Board to, *amend the agenda to remove:*

*item H. Register of Deeds – Change in Office Hours Resolution*

**SPECIAL PRESENTATION**

**AGRICULTURE ECONOMIC DEVELOPMENT INNOVATION AWARD**
In partnership with Civic Federal Credit Union, the North Carolina Association of County Commissioners (NCACC) offers the Excellence in Innovation Award to recognize successful county programs that demonstrate innovative solutions and cost/resource savings for counties.

Production agriculture contributes $140MM to Cleveland County’s local economy each year. Commissioners have supported gross roots efforts to protect and preserve farmland and recently established the goal to include agriculture and agribusiness in the county’s economic development efforts, which have been largely focused on attracting industry and retail. The North Carolina Cooperative Extension, led by County Extension Director Gregory Trawick, is a partnership between state and local government, was identified to champion this effort and respond with aggressive resource development efforts to grow and diversify farms and farm-related businesses.

Commissioners presented Mr. Traywick with the innovation award, giving him congratulations and thanking him for his continued hard work and leadership with the farmers and agribusiness leaders of Cleveland County.
CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes from the September 6, 2022 regular Commissioners’ meeting in Board members’ packets.

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

TAX ADMINISTRATION: PENDING REFUNDS & RELEASES

The Tax Administration Office is requesting the release of $1,209.55 in deferred taxes to Kimberly Schmuecker. Pursuant to North Carolina General Statute 105-277.4(b1) If the owner submits supporting documents after the Assessor has determined a property has lost eligibility, the owner can appeal the deferred taxes within 60 days to the Board of Equalization and Review or the Board of County Commissioners, whichever Board is in session. The owner’s appeal was received within 60 days of the bill date for the deferred tax bills. Present use value will be reinstated if Board approves the release of these deferred taxes. The County Tax Assessor has reviewed the request and advised it is in order for approval.

<table>
<thead>
<tr>
<th>NAME</th>
<th>YEAR</th>
<th>RECEIPT</th>
<th>NOTE</th>
<th>ORIGINAL VALUE</th>
<th>ORIGINAL PAID</th>
<th>REQUESTED VALUE</th>
<th>REQUESTED PAID</th>
<th>DISTRICT</th>
<th>RATE</th>
<th>RELEASE</th>
<th>REFUND</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kimberly Schmuecker</td>
<td>2018</td>
<td>4899536</td>
<td>Supporting forestry plan, release deferred taxes</td>
<td>$ 99,750</td>
<td>$ 0.00</td>
<td>$ 99,750</td>
<td>46</td>
<td>0.8275</td>
<td>1,114.35</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kimberly Schmuecker</td>
<td>2019</td>
<td>4899536</td>
<td>Supporting forestry plan, release deferred taxes</td>
<td>$ 99,750</td>
<td>$ 0.00</td>
<td>$ 99,750</td>
<td>46</td>
<td>0.8275</td>
<td>1,040.06</td>
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<td></td>
</tr>
<tr>
<td>Kimberly Schmuecker</td>
<td>2020</td>
<td>4899537</td>
<td>Supporting forestry plan, release deferred taxes</td>
<td>$ 99,750</td>
<td>$ 0.00</td>
<td>$ 99,750</td>
<td>46</td>
<td>0.8275</td>
<td>960.77</td>
<td></td>
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</tr>
<tr>
<td>Kimberly Schmuecker</td>
<td>2021</td>
<td>4899538</td>
<td>Supporting forestry plan, release deferred taxes</td>
<td>$ 99,750</td>
<td>$ 0.00</td>
<td>$ 99,750</td>
<td>46</td>
<td>0.8275</td>
<td>885.15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kimberly Schmuecker</td>
<td>2022</td>
<td>4899539</td>
<td>Supporting forestry plan, release deferred taxes</td>
<td>$ 152,145</td>
<td>$ 0.00</td>
<td>$ 152,145</td>
<td>46</td>
<td>0.7500</td>
<td>1,209.55</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTES: Pursuant to NC GS 105-277.4(b1) if the owner submits supporting documents after the Assessor has determined a property has lost eligibility, the owner can appeal the deferred taxes within 60 days to the Board of Equalization and Review or the Board of County Commissioners, whichever Board is in session. The owner’s appeal was received within 60 days of the bill date for the above deferred tax bills. Present use value will be reinstated if Board approves the release of these deferred taxes.

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, to approve the pending refunds and releases as submitted by the Tax Assessor.
**SHERIFF’S OFFICE: BUDGET AMENDMENT (BNA #014)**

**ACTION:** Commissioner Hardin made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, **approve the following budget amendment:**

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>010.443.4.991.00</td>
<td></td>
<td>State Forf Prop/FD Balance Approp</td>
<td>$8,700.00</td>
<td></td>
</tr>
<tr>
<td>010.443.5.910.00</td>
<td></td>
<td>State Forf Prop/Capital Equipment</td>
<td>$8,700.00</td>
<td></td>
</tr>
</tbody>
</table>

**Explanation of Revisions:** Budget allocation for $8,700 in funds to assist in payment of a Long Range Acoustic Device (LRAD) speaker system for the Sheriff’s Office Negotiators/SERT Team to use during a call out/standoff.

**TRAVEL AND TOURISM: BUDGET AMENDMENT (BNA #015)**

**ACTION:** Commissioner Hardin made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, **approve the following budget amendment:**

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>010.422.4.991.00</td>
<td></td>
<td>Travel &amp; Tourism/Fund Balance Appropriated</td>
<td>$500.00</td>
<td></td>
</tr>
<tr>
<td>010.422.5.510.00</td>
<td></td>
<td>Travel &amp; Tourism/Travel &amp; Tourism Events</td>
<td>$500.00</td>
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</tr>
</tbody>
</table>

**Explanation of Revisions:** Budget allocation for $500 in funds received from Home Trust Bank for sponsoring the 2022 Liver Mush festival Children’s Pumpkin Painting.

**CLEVELAND COUNTY SCHOOLS: BUDGET AMENDMENT (BNA #016)**

**ACTION:** Commissioner Hardin made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, **approve the following budget amendment:**

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>494.602.4.358.00</td>
<td></td>
<td>Public School Building Off/St Grant – Pub Sch Cap</td>
<td>$28,500,000.00</td>
<td></td>
</tr>
<tr>
<td>494.602.5.700.00</td>
<td></td>
<td>Public School Building Off/Grants</td>
<td>$28,500,000.00</td>
<td></td>
</tr>
</tbody>
</table>

**Explanation of Revisions:** Budget allocation for $28,500,000 in funds received from the Needs-Based Public-School Capital Fund through the North Carolina Education Lottery. These funds were awarded for Auditorium construction at Crest and Burns High School.

**REMOVAL OF SERVICE WEAPON FOR RETIRED DEPUTY ROY DYER**

Sheriff Alan Norman requested retiring Deputy Roy Dyer be presented with his departmental service weapon. Deputy Dyer will retire on October 1, 2022, after 32 years of full-time law enforcement service with the Cleveland County Sheriff’s Office. The service weapon requested to be removed from inventory is a Glock 9mm, Model 17, serial number BDKT-910 and County asset number 201185.

**ACTION:** Commissioner Hardin made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, to **approve the request to remove the service weapon from County inventory and issue it to Deputy Roy Dyer.**

**LEGAL DEPARTMENT: SALE OF COUNTY OWNED PROPERTY PARCEL 22052**

Parcel 22052 is county owned property located at 281 Light Oak Circle, Shelby. The vacant tract is comprised of 0.1538072 acres in a residential area and may be too small for the construction of a dwelling.

Cleveland County acquired this property through foreclosure proceedings in 2009 and incurred fees in the amount of $4158.79 for accrued unpaid taxes, interest and county costs. The offer of $1801.00 is $2,386.00 less than the County costs and $104.00 more than the tax value. This bid is the highest received in 13 years and would place the
property back on the tax rolls. Accepting this as an opening bid will permit the County to advertise and seek upset bids, and then bring them before the Board for consideration.

**ACTION:** Commissioner Hardin made a motion, seconded by Commissioner Whetstine, and unanimously approved by the Board to, adopt the resolution authorizing county staff to advertise and begin the upset bid process.
ECONOMIC DEVELOPMENT: PROJECT SAFE BUILDING REUSE GRANT

A local government resolution is required for the process and consideration of a $90,000 planning grant application for stormwater management in Cleveland County. There is no match required from the county.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Whetstine, and unanimously approved by the Board to, adopt the resolution in support of

REGULAR AGENDA

END OF THE YEAR REPORT

Chairman Gordon recognized County Manager Brian Epley to present the End of the Year report. The county’s fiscal year operates from July 1 – June 30. Staff is working on completing the county’s external audit, as required by the North Carolina Fiscal Control Act, and will be submitted to the Local Government Commission (LGC) by October 31 of each year.

One of the Board’s focus areas of their strategic plan is fiscal sustainability; to be a high-performing organization that effectively uses resources and services and has identifiable measurable goals. These goals include:

- Continued Focus on being an Employer of Choice
- Partner with Cleveland County Schools with the goal of the advancement of Teacher Supplements and Out Year Capital
- Maintain accelerated funding ladder for Cleveland Community College
- Increase Fund Balance to at least 20%
- Use and Implement the Facility Master Plan
- Identify lean principles with a focus on automation and operational efficiencies
Cleveland County’s revenue for the year concluded at $140.2MM collected. The property tax percentage was 98.58% collected, the highest in the county’s history. Ad Valorem taxes make up 53% of the county’s total revenue portfolio. Sales tax and restricted governmental continue to be the county’s second and third largest revenue sources. The state of North Carolina continues to see growth and expansion in sales tax, which is a good indication of how the economy is performing. Sales tax comes back to Cleveland County in two ways: point of sale and state collects all and then redistributes on a per capita basis. Another tax revenue for the county is occupancy taxes. The occupancy tax rate in Cleveland County is 6% for hotels and motels located outside of municipal boundaries and 3% for those inside a municipality. The county concluded the year with the highest occupancy tax revenue to date of $600,000.

The Board was reminded, in 2016, the county, which was paying $150,000 per year in contract fees, ended its long-term agreement with third-party billing agency ComStar which was collecting about 51% of the county’s Emergency Medical Services (EMS) bills. EMS billing was brought in-house and since that time, the county has seen steady growth with $4.2 MM in collected revenue this year which is significantly higher than in previous years.

Mr. Epley transitioned to the expenditure side of the county’s fiscal year, reviewing in detail how county funds are spent by function and department. Expenditures include Human Services, Education, Public Safety and General Government. Cleveland County is in a favorable position, maintaining a constant and flat budget when benchmarked with other similarly sized North Carolina counties. Other organization expenditures reviewed include utility consumption, property and liability risk, and county employee health insurance claims. He continued by outlining the steps the organization continues to make to achieve another focus area of the Board which is making Cleveland County an employer of choice. Staff is managing the tremendous amount of grants already received equaling almost $73MM. These grants will be allocated to help fund county projects without putting a burden on local taxpayers.

Next, Mr. Epley reviewed the county’s Capital Improvement Plan (CIP) which included the completion of fully staffed EMS bases in the northern part of the county, Casar, Belwood and Lawndale and the relocation of the Information Technology department. Other CIP projects in progress include:

- Justice Center Campus
- Health / DSS Co-Location
- Board of Elections
- Shell Building IV
- Shooting Complex Expansion

Other Commissioner goals for fiscal sustainability include continued acceleration to Cleveland Community College and education focusing on public schools, ensuring there is adequate funding for classroom teacher supplements and facility project planning and management. Mr. Epley concluded by reviewing the county’s fund
balance, debt balance and debt service performance analysis. The following information and PowerPoint were presented to Commissioners.

FY 22 End of Fiscal Year Report

COMMISSIONERS STRATEGIC PLAN

FOCUS AREA 4: FISCAL SUSTAINABILITY
To be a high performing organization that effectively uses resources to provide high quality service to our residents.

Discussion Topics:
1. Current Year Financial Performance
2. Fund Balance & Key Ratios
3. Debt Portfolio

Revenue:
- Sales Tax Revenue by Quarter
- Occupancy Tax Revenue

Expenses:
- DHS Local Costs

COMMISSIONERS REPORTS:
- February/March: Quick Session & Report Analysis
- April: Commissioners Revenue Memo
- May: Budget Memo / Capital Improvement Plan
- July: Operational Capacity Analysis
- September: End of Year Report

FISCAL SUSTAINABILITY GOALS:
1) Continue focus on being an Employer of Choice
2) Partner with Cleveland County Schools with a goal of achievement of Teacher Supplements and Overtime Funding
3) Maintain assurance funding (aid) for Cleveland Community College
4) Increase funding to at least 20%
5) Use and implement the Faculty Master Plan
6) Identify new principles with a focus on administrative and operational efficiencies
Commissioners thanked Mr. Epley for the information and commended him and staff for the continued hard work and

**RECESS TO RECONVENE**

There being no further business to come before the Board at this time, Commissioner Whetstine made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, to recess to reconvene. The next meeting of the Commission is scheduled for **Friday, September 23, 2022 at 8:30 a.m. at the Cleveland County Public Health Department located at 200 S. Post Road, Shelby for a Commissioners’ work session.**

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Kevin Gordon, Chairman
Cleveland County Board of Commissioners

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