

**MINUTES OF THE REGULAR MEETING OF THE ALAMANCE COUNTY BOARD
OF COMMISSIONERS FOR ALAMANCE COUNTY**

**February 19, 2024, 6:30 PM
Commissioners' Meeting Room
124 West Elm Street
Graham, NC 27253**

Board Members Present: Chairman John Paisley Jr
Vice-Chair Steve Carter
Commissioner William "Bill" T. Lashley
Commissioner Pamela Thompson
Commissioner Craig Turner

CALL TO ORDER - CHAIRMAN PAISLEY

INVOCATION AND PLEDGE OF ALLEGIANCE - CHAIRMAN PAISLEY

Chairman Paisley recognized Sheriff Terry Johnson and Byron Tucker of the Alamance County Sheriff's Office. The Sheriff's Office held its very first Annual Promotion Ceremony to recognize employees who were being promoted and receiving special awards.

APPROVAL OF THE AGENDA

Moved by: Commissioner Lashley

Seconded by: Vice-Chair Carter

APPROVED UNANIMOUS

PUBLIC COMMENTS

Ed Priola, a Mebane resident, said he wanted to weigh in on the budget. He spoke that folks were struggling and it was a difficult time for taxpayers. He asked that the Board keep that in mind as they begin to consider the budget.

Bill Gomory, ACC Board of Trustee, spoke in support of ACC's budget request for the upcoming year. He mentioned that ACC was running an estimated \$600,000 deficit in operating funds. Mr. Gomory commented that this was no coincidence that this was half of the difference between the college's budget request last year and what was funded. He blamed inflation and the addition of two new buildings with the added cost of utilities. Mr. Gomory said that ACC's budget

request was not about want but about need. He urged the Board to fully fund the college's budget request.

Jeff Throneburg, a licensed general contractor and President of the Alamance-Caswell Homebuilders Association, spoke that he was there to bring two significant challenges impacting their ability to do business in the county to the Board's attention. He shared that his members had discussed the growing delays in securing approval for septic systems from Environmental Health and then a subsequent building permit from the county. Mr. Throneburg stressed concern over the 6-8 weeks timeframe for completion and at times 10 weeks. He said that builders are waiting 8-14 weeks before a project can start which proves costly for the local custom builders. He asked the Board to help find solutions for the building community.

Leonard Harrison, a county resident, spoke about the school system and their continued requests for more money.

Henry Vines, spoke about the \$7.7 million that he saw on the agenda going into the American Rescue Funds and Renovation Programs. He questioned how the county could have \$7.7 million left over from last year.

Jessica Simmons, voiced concerns over property taxes. She suggested trimming the fat by starting with a list of non-essential services. She urged the Board to stop reaching in the pockets of Alamance County residents.

Medora Burke Scoll, Vice-President of ABSS Association of Educators, shared that their members were worried and feeling vulnerable about the prospect of immediate layoffs and hiring freezes due to ABSS's budget shortfall. She encouraged the Board to put another quarter-cent sales tax referendum on the November ballot. She said ABSS was looking at an ugly choice right now of not making payroll, whether to pay bills or layoff desperately needed educators.

CONSENT AGENDA

Moved by: Commissioner Lashley

Seconded by: Commissioner Turner

APPROVED AS AMENDED

APPOINTMENTS/ REAPPOINTMENTS

AC Senior Services Committee- Patricia Davis

Alamance County Transportation Authority ACTA- John Andoh

Conference Scholarship Application Request - Alamance County Public Libraries

Application Request for a Library State Technology Act Planning Grant - Alamance County Public Libraries

Land and Water Grant Application Request - Alamance Parks

Parking Lease for Spaces at South Maple Street

TAX REFUNDS

Tax Refunds, Releases and Exemption-Extensions Jan-Feb 2024 - TAX-2024-005

Approval of tax refunds and releases; a copy of the tax refunds are set forth hereafter.

APPROVAL OF MINUTES

Approval of the regular minutes of February 5, 2024 as amended.

PRESENTATIONS/OTHER BUSINESS

BUDGET AMENDMENTS

* Removed from the Consent Agenda for further discussion.*

Budget Amendment 8

Commissioner Lashley inquired about the increase to the general fund by \$7,743,054 and where that money came from. Susan Evans, Finance Officer, explained that \$7,389,652 from the general fund would be transferred to the county's capital reserve fund for future county projects. She continued that the current fiscal policy allowed unassigned fund balance above the 20% target to be transferred to the county's capital reserved project fund for future projects as approved by the Board of Commissioners. Ms. Evans said the balance from the fiscal year 2023 audit was 23.7% and they were moving that excess fund balance. Commissioner Lashey had other questions about the budget amendment. Ms. Evans deferred those questions to Rebecca Crawford.

Rebecca Crawford, Budget and Management Services Director, explained that they were requesting to do a final allocation of the American Rescue Plan Act (ARPA) funding. She said they were requesting to appropriate \$1,872,030 in accrued interest for ARPA to the same project. She referred to the agenda packet for details of what the approved projects would look like. Ms. Crawford noted that they were going to reallocate unspent funds that were originally allocated for an after hours social worker. She explained that position was through the Department of Social Services (DSS) and DSS had decided to use alternative funding which freed up those funds. She continued there was \$9.2 million in unallocated ARPA funds that they were asking to allocate. She said that was how they came to the total of \$11,219,298, which they recommended being allocated towards purchasing the diversion center project.

Commissioner Lashley asked what options did they have for this money. He said he was looking at options from staff.

Ms. Evans answered that they were in a different place. She said they were looking at some capital projects that must be completed in fiscal year 2024-25. She said the purchase of the diversion center was discussed at the Board Retreat. She continued that they would bring a request before the Board for approval to use part of that \$7 million to purchase that building. She said they would be using the fund balance for a one-time purchase, which is what you would want to use it for, and not recurring operational expenses.

Commissioner Lashley said he liked the recommendation from Ms. Evans. He agreed that was how it needed to be handled since there were projects that they put off last year.

Commissioner Turner asked about the 20%. Ms. Evans explained that it was based on 20% of the prior year's expenditures in the general fund. He asked why the county had that policy of keeping 20% in the fund balance. Ms. Evans responded that the county had adopted that policy back in 2018 when they were preparing for the bond referendum. She commented that it demonstrated to credit rating agencies that the county was focused on what was going to happen in the future and having the reserves that a government would need. She mentioned that one month of the county's operational expenditures was 8%. Ms. Evans spoke that if the county experienced a catastrophic event, it would have roughly less than three months of operating revenues.

Moved by: Chairman Paisley

Seconded by: Commissioner Lashley

APPROVED UNANIMOUS

Introduction of New ACC President & ACC Update - Dr. Ken Ingle, President of Alamance Community College

Dr. Ken Ingle, ACC President, gave an update and highlighted the ACC team's work to serve the community. He said ACC offered over 66 programs, 20 programs had been added since 2013, and ACC graduated over 800 students this past year. He discussed the increased use of the facilities and enrollment increases. Dr. Ingle said ACC's enrollment had increased by over 8% in full-time equivalency enrollment (FTE). He said they saw a positive impact on the community and the workforce. Dr. Ingle anticipated new costs due to expected Duke Energy rate increases and insurance rate increases. Dr. Ingle announced that the groundbreaking ceremony for the Public Safety Training Center was on Friday.

Davenport Financial Model Update

Ted Cole, Davenport, provided updated information on the Capital Planning Model. Mr. Cole presented a five-year look at the Capital Plan Model. Mr. Cole directed the Board to a version of the Capital Plan with a placeholder for a courthouse project at \$45 million. He noted that between the county, the school system, and ACC, about \$173 million in capital projects were

identified. Mr. Coles discussed debt that might be issued to fund certain parts of the capital program.

Mr. Cole continued that within the school model, they assumed the remaining general obligation authorization from the voters to be issued in 2024 was about \$19.5 million. He emphasized that these were bonds that were approved but not yet issued. He said there was about \$3.8 million remaining of general obligation authorization remaining for ACC that might be issued in 2025. Mr. Cole said the Board would have to initiate the issuance of that debt when and if they determined it to be appropriate. Mr. Cole discussed a model for the county for about \$49.5 million, which included \$45 million for the courthouse, and then the remaining would be debt associated with an EMS Substation and an elderly services facility. Mr. Cole said the capacity was within the policies to assume additional debt. He mentioned a shortfall in fiscal year 2026 of about \$3.9 million. He said that was the equivalent of about 1.5 pennies on the current tax rate.

Mr. Cole reviewed the next scenario model with a \$70 million courthouse project. He noted a \$6 million shortfall in fiscal year 2026. He said more capital was running through this model with a larger debt issuance. He said this would equate to about 2.5 pennies worth of revenue. Mr. Cole advised both of those scenarios required additional dollars. He said if the courthouse was stripped out entirely, then most of those other projects could be funded without an impact. He mentioned about \$7 million of accumulated reserves that were not currently being utilized. Mr. Cole said one of the goals was to help put some perspective on what capacity or affordability exists within the county model.

Mr. Cole discussed the setup of the ABSS model. He informed the Board that a level of conservatism was built into that model in prior years, so it would support the issuance of that \$19.5 million in remaining bond authorization. He said that no additional revenues were needed for that model beyond what was assumed. Mr. Cole assured the Board that based on the current projections, they were sufficient to cover not only the current outstanding debt for the schools but the incremental or potential \$19.5 million. He offered another option: the Board could take the \$19.5 million and a little over \$2 million in premium, which would be additional dollars available to spend on projects. He said this could yield about \$21.7 million because the estimated \$2.2 million was not guaranteed. Again, he offered that the Board was not required to take that premium and could lower the amount of bonds issued and only take the \$19.5 million.

Roofing and HVAC Assessment Studies- Interim Report - Brian Baker, Asst. County Manager

Brian Baker, Assistant County Manager, gave an update on the consolidated roof/HVAC priority list with the most pressing needs for the school system. He noted that the list included some of the high schools that were already funded. He said contracts were started to replace those roofs. Mr. Baker said the price tag was not to make everything new at that particular school but to fix the most pressing issues.

Chairman Paisley asked about Southern Alamance High School and Graham High School contracts. Greg Hook, ABSS Chief Operations Officer, answered that they were finalizing the contract for Graham High School and still finishing the design work for Southern Alamance High School.

Commissioner Turner clarified if there was an ask that night or what staff needed from the Board. County Manager York explained that the information was a follow-up to the request for staff to narrow the list down from what was presented the last time. She said they had just heard from Ted Cole, Davenport, about the bond issuance. She continued if they wanted to consider issuing the bonds at the earliest or most rapid pace, it would be helpful to know if they wanted staff to start moving toward the issuance of the bonds. County Manager York said they could use the prioritized list and begin the early stages of working with Davenport and the Local Government Commission (LGC) towards the bond issuance. Commissioner Turner spoke that \$21.9 million had been identified in immediate needs, and an estimated \$21.7 million in available funds for ABSS's Capital Improvement Plan. He said they could afford that with no additional taxes or revenues. He thought they should get that going as soon as possible to have a bond issuance by June with the money in hand at the same time as the contracts.

Chairman Paisley asked if there was a consensus among the Board to allow staff to move forward with issuing the bonds. It was the consensus of the Board to allow staff to move forward on the issuance of the bonds.

Staffing and Compensation Concerns - Sheriff Terry Johnson

Sheriff Terry Johnson gave a presentation about the staffing and compensation issues his office faced. He continued that he currently had 291 employed, but his office had 347 positions allotted. Sheriff Johnson said his office was understaffed by 56 personnel. He described some of the 34 assaults that had occurred on detention center staff this year. Sheriff Johnson said they have had to call officers back in as soon as they got off their 12-hour shift. He noted that in the first several months of fiscal year 2023, his office had already paid out \$218,119.40 in detention overtime.

Sheriff Johnson invited Lieutenant Starnes to share his experience as an officer who was assaulted and speak about his experience in the detention center. He said he was now conscious of the need for additional staffing and each officer's risks. He said it was important for the Board of Commissioners to address the needs of law enforcement and all emergency services. Lieutenant Starnes said that better pay and benefits would help address the needs of the Sheriff's Office.

Sheriff Johnson reiterated that Lieutenant Starnes had been one of the 34 assaulted by an inmate. He said lack of staffing was one of the reasons. Sheriff Johnson said he was responsible for every officer working in that detention center. He asked the Board to reassess some of the plans.

Sheriff Johnson spoke as the keeper of the detention center; he was legally obligated to house the most dangerous and mentally deranged individuals of society arrested in Alamance County.

Sheriff Johnson further described the challenges he was facing when he supposed to have 23 detention center officers on a shift and had not had that number in the last two years. He said there were 12 deputy vacancies, and he was supposed to have 13 deputies on a shift. He said he was losing experienced officers to other law enforcement agencies. He noted that his office had received 101,922 calls for service in 2023. Sheriff Johnson reiterated that his office had lost 80 employees over the last two years due to better pay and benefits with other agencies, retirement, and termination. He reported that the Burlington Police Department offered \$10,000 more and a better benefits package. He mentioned that other county departments were experiencing staffing shortages as well.

Sheriff Johnson advised that every elected official's sworn duty was to provide public safety regardless of political affiliation, as they represent every person in Alamance County. He said that Alamance County was the 15th largest county in the state, with a reported population of 178,943, and he thought it was over 200,000 because some people did not want to be counted. He said this county was the 13th lowest taxed county in the state, with a tax rate of 43.2 cents per 100. Sheriff Johnson pleaded with the Board to help him protect this county, even if it meant raising taxes, but his job was to protect the county's residents. He noted that the surrounding counties had higher tax rates and comparable counties with smaller populations yet higher tax rates. Sheriff Johnson spoke about his tenure as sheriff of this county for 22 years and how the county has maintained one of the lowest tax rates while the county's population has experienced continued growth. He said they could not continue to kick the can down the road if they were going to keep up with the county's growth.

Sheriff Johnson discussed the county's geographical location and how it was an attraction for drug trafficking and drug cartels. He emphasized that the county was in a serious situation. He said they have got to come together to create competitive salaries and benefits so they do not continue to lose officers to other law enforcement agencies. He provided comparable salary data with other neighboring agencies. He stressed that due to the number of staff shortages, many of the officers could not take compensation time.

Commissioner Lashley said he wanted to help law enforcement and thought it spoke to what was going on in the county. He said they needed to give staff direction to see what they could do to help law enforcement.

Chairman Paisley asked if anything could be done to address the officers who were earning comp time but unable to take it. County Attorney Stevens answered that he thought comp time could be paid differently between county offices. He said that the threshold for accumulation of comp time was higher for emergency services personnel than for other positions. He opined that adopting a policy allowing that time to be paid out for holidays would be permissible. County Attorney Stevens further explained that the Sheriff's Office staff were not county employees as

the Sheriff's Office was a separate and distinct office. He said that the county managed their benefits and pay because it was more cost-effective. Sheriff Johnson said that he was told by the Sheriff's Association Attorney that the County Commissioners could set different pay scales to avoid compression.

Chairman Paisley asked staff to review numbers and come back to the Board with some ideas and suggestions at the next meeting.

County Manager York explained that they were looking at paying out holiday pay maybe twice a year instead of those employees banking that. She said staff would work with Sheriff Johnson to see what options might be enticing.

Commissioner Thompson mentioned the mental difficulties that the officers had when they were overworked. She said that even if the Sheriff's Office still had shortages, it was still a dangerous environment because the officers were mentally exhausted. She said the shortages was the issue and should be the focus. Commissioner Thompson said Sheriff Johnson needed a full staff.

Vice-Chair Carter agreed that something had to be done, and the idea of different payscales in the departments was not a bad idea, and they needed to use ingenuity to come up with some ways to make things happen.

COUNTY ATTORNEY'S REPORT

No report given.

COUNTY MANAGER'S REPORT

No report given.

COMMISSIONERS' COMMENTS

Commissioner Lashley said that Ms. Simmons, the public comment speaker, made many good points. He thought she was wrong in her assumption of the county's fund balance. He said the county had no shortfall in the fund balance and was very strong. He said the bond rating proved that. Commissioner Lashley said they needed to pay attention to what Sheriff Johnson said and focus on the safety and security of the citizens. He said that might cost extra money.

Commissioner Lashley said he wanted to reiterate his previous comments that he had made at the Board Retreat that the tax rate could rise to almost a dime. He said there were a lot of needs and a lot of hard decisions that would need to be made. He said County Commissioners will need to explain why to the voters and taxpayers.

Vice-Chair Carter spoke that Sheriff Johnson had already pointed out that Alamance County was growing. He continued that they do not have a choice if people are moving here and businesses are being built. He said they wanted balanced growth and so much going on in the county that they had to be prepared for.

Chairman Paisley addressed Mr. Throneburg's comments about permitting. He said they were working with county administration to make changes to help expedite those permits. He said there were a few speakers on taxes, but he could not make any promises to the voters until he was presented with the proposed budget. Chairman Paisley said they were trying to turn things around with the school system with less finger-pointing and more working together.

ADJOURNMENT

Vice-Chair Carter, seconded by Commissioner Lashley, moved to adjourn the meeting. The motion carried unanimously.

There being no further business to be brought before the Board, the meeting adjourned at 9:39 P.M.

John Paisley, Jr., Chairman

Alamance County Board of Commissioners

Tory M. Frink, Clerk to the Board