

ADOPTED

JUL 27 2021

Gaston County Board
of Commissioners

176

GASTON COUNTY

COMMISSIONER'S COURT

NORTH CAROLINA

JUNE 8, 2021

The Gaston County Board of Commissioners (BOC) met in Special Session on June 8, 2021, at 6:06 pm, immediately following its Work Session, in The Harley B. Gaston, Jr. Public Forum, Gaston County Courthouse.

Chairman Tom Keigher presided with Commissioners Allen R. Fraley, Vice-Chairman; Chad Brown, Bob Hovis, Tracy L. Philbeck and Ronnie Worley in attendance. Commissioner Kim Johnson introduced herself via video conferencing.

Others present included Dr. Kim S. Eagle, County Manager; Jonathan L. Sink, County Attorney; and Donna S. Buff, Clerk to the Board.

Upon request of Chairman Keigher, Commissioner Philbeck led those assembled in the Invocation and Commissioner Worley led in the Pledge of Allegiance during the preceding Work Session.

Public Hearing – FY2021-2022 Gaston County Proposed Budget

Chairman Keigher announced the Public Hearing as advertised and noted that other items of business would be taken up immediately following the Budget segment; explained procedures to be used for the evening's hearings called for the motion to enter into Public Hearing.

On motion introduced by Commissioner Brown and seconded by Commissioner Hovis, the BOC unanimously entered into Public Hearing.

Chairman Keigher introduced the County Manager for comments.

The County Manager advised she placed an updated Budget Ordinance at each member's seat along with an infographic on the Budget. The updated Budget Ordinance includes a minor modification that resulted in \$150k reduction from what she presented on May 25th; the updated Budget Ordinance also includes the requested tax rate increases for the Volunteer Fire Departments (VFDs), capped at a two-cent maximum; the total recommended Budget is \$342M; the General Fund portion of that is \$229M; the tax rate remains flat at \$0.83/\$100 assessed value (lowest in 20 years). She pointed out that Fund Balance was not used to balance the budget and that has not occurred since 1970; the Budget maintains a conservative fiscal approach and achieves two broad budget goals: 1) funds programs and initiatives that align with BOC's priorities and 2) funds the County's core critical services and programs.

Chairman Keigher called for citizen comment, hearing none, called for questions from the BOC; none were heard.

Chairman Keigher announced that the Public Hearing had concluded and per NCGS 166A, citizens may provide written comment to the Clerk to the Board.

Chairman Keigher called for a motion to close the Public Hearing.

On motion introduced by Commissioner Brown and seconded by Commissioner Worley, the BOC unanimously closed the Public Hearing.

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To Consider Adoption of the FY2022 Gaston County Budget

Chairman Keigher called for a motion to approve.

2021-000* Commissioner Keigher - To Adopt the FY2021-2022 Gaston County Budget Ordinance

Commissioner Worley introduced the motion to approve the FY22 Budget as presented by the Manager and Commissioner Brown provided the second. The Chairman called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The vote carried as follows:

Ayes: Commissioners Brown, Fraley, Hovis, Johnson, Keigher, Worley
Nay: Commissioner Philbeck

*** Note: Item was reconsidered.**

2021-167 Commissioner Brown - Order to Levy and Collect Ad Valorem Tax for Gaston County Fire Service Districts

Chairman Keigher called for a motion to approve the amended Order as presented by the Manager.

Commissioner Brown introduced the motion to approve and Commissioner Fraley provided the second.

Chairman Keigher called for discussion.

Commissioner Philbeck asked if the motion included all of the fire departments.

Commissioner Brown responded the Resolution is for the tax collection.

The Chairman called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The motion to approve **2021-167** carried unanimously.

2021-168 Commissioner Brown - Order to Levy and Collect Ad Valorem Tax for Long Shoals Fire Protection District

Chairman Keigher called for a motion to approve the amended Order as presented by the Manager.

Commissioner Brown introduced the motion to approve and Commissioner Worley provided the second.

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Chairman Keigher called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The motion to approve **2021-168** carried unanimously.

2021-169 Commissioner Brown - Amended Order to Levy and Collect Ad Valorem Tax for South Gastonia Fire Protection District

Chairman Keigher called for a motion to approve the amended Order as presented by the Manager.

Commissioner Brown introduced the motion to approve and Commissioner Worley provided the second.

Chairman Keigher called for discussion.

Commissioner Brown asked if this was the Resolution that had been amended.

Chairman Keigher responded "yes" and the first two fire district Resolutions were also amended.

Commissioner Brown asked the County Manager if it had been amended to reflect the two-cent maximum.

The County Manager responded that is correct.

Chairman Keigher called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The motion to approve **2021-169** carried unanimously.

Chairman Keigher recessed the meeting at 6:13 pm.

Chairman Keigher reconvened the meeting at 6:16 pm.

Chairman Keigher introduced the County Attorney for comment.

The County Attorney advised there is a request to entertain a motion to reconsider Item A: *Adoption of the FY2022 Gaston County Budget*, followed by a separate motion on the item.

Motion to Reconsider

Commissioner Brown introduced a motion to reconsider Item A: *Commissioner Keigher - To Adopt the FY2021-2022 Gaston County Budget Ordinance*. Commissioner Philbeck provided the second.

Chairman Keigher called for discussion, none was heard.

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He called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The motion to reconsider carried unanimously.

2021-170 Commissioner Keigher - To Adopt the FY2021-2022 Gaston County Budget Ordinance

Commissioner Brown introduced a motion *to adopt the FY2022 Budget Ordinance, as presented, according to the provisions set forth in Chapter 158 and 166A of the NC General Statutes with requested VFD tax rate increases capped at a maximum 2-cent increase with the exception of Crowders Mountain Volunteer Fire Department, (EMS and Fire combined), to remain at a flat rate.* Commissioner Philbeck provided the second.

Chairman Keigher called for discussion; none was heard.

Chairman Keigher called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The BOC unanimously **approved 2021-170** as follows and set forth herewith:

**BUDGET ORDINANCE
FISCAL YEAR 2021- 2022
GASTON COUNTY, NORTH CAROLINA**

BE IT ORDAINED by the Board of Commissioners of Gaston County, North Carolina:

SECTION I. BUDGET ADOPTION 2021- 2022. There is hereby adopted a budget for the County of Gaston for the fiscal year beginning July 1, 2021 and ending June 30, 2022, a summary of which (by fund and function) is included as Exhibits I and II herein on page 5. The budget is hereby adopted by fund on a functional basis, except as provided for in Section VII. The County Manager is directed to finalize the line- item detailed budget, at which time that document shall be incorporated herein as if fully set out verbatim and referred to hereinafter as the " 2021- 2022 Gaston County Budget."

SECTION II. TAX RATE LEVY 2021- 2022. There is hereby levied for fiscal year 2021- 2022 a tax rate of 83.00 cents per \$100.00 of assessed valuation.

SECTION III. PERIODIC FINANCIAL REPORTS. A report comparing budgeted and actual revenues and expenses by object account shall be presented in ten copies, when requested, to the County Finance Officer for each agency or department funded by the County where accounting is not done by the County. The report shall be monthly, unless special circumstances exist in which case the report may be quarterly.

The County Manager shall be notified of any changes in the budget presented to the Board of Commissioners within thirty days of the change by any agency having statutory authority to change its line items. Approved payments may be delayed pending receipt of timely financial information.

SECTION IV SALARIES. The 2021- 2022 Gaston County Budget fully funds longevity. There are funds allocated for a three percent (3%) market/ merit adjustment implemented at mid-year for the equivalent of one and a half percent (1.5%) budget impact.

SECTION V. BUDGET OFFICER AND FINANCE OFFICER. In accordance with the Local Government Budget and Fiscal Control Act, the County Manager has prepared a budget which contains a General Fund, a Health Fund, a Public Assistance Fund, a Building Services Fund, a Community Investment Fund (CIF), a County Debt Fund, a School Debt Fund, a Capital Improvements Fund, a Tourism Fund, a Property Revaluation Fund, an Emergency Telephone System Fund, a Courthouse Parking Fund, a Fire District Fund, a School Fines and Forfeitures Fund, a

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Deeds of Trust Fund, a Solid Waste Enterprise Fund, and a Self-Insurance Fund. Further, the County Manager is designated as the Budget Officer of the County and the Finance Director is designated as Finance Officer.

As provided by G. S. 159- 25 (b), the Board is authorized to require two signatures on each check or draft that is made on County funds. The signature of the County Manager and the Finance Officer shall be the authorized signatures of the County. The Assistant County Manager shall have signatory authority in the absence of the County Manager and the Finance Officer shall designate signatory authority to a responsible individual on his staff in his absence.

SECTION VI. BUDGET POLICY. It will be the policy of this Board that it will not absorb any reduction in State and Federal Funds. Reducing personnel or program expenditures to stay within the County appropriations is hereby authorized on the basis outlined in the following paragraphs of this section.

This policy is extended to any agency or department that is funded by the County and receives State or Federal money and shall remain in effect until otherwise changed or amended by the Board of Commissioners. The County Manager is hereby directed to indicate this policy to each agency, which may be affected.

If programs which include State, Federal, and/ or any other outside revenues, as well as local funding, are subsequently reduced or cut by the outside funding organization, that portion funded by County revenues will be reduced to maintain its original ratio of local expenditures to State, Federal, or other expenditures. For example, of a \$100,000 grant, local funding is \$50,000 and Federal/ State funding is \$50,000. Should the State/ Federal grant be reduced by \$25,000, then local funds will be reduced by \$25,000, unless other outside revenues are secured to fully offset the grant reduction. Under no circumstances shall reductions in grants be paid by County dollars, regardless of the source of the funding.

Those recipients of County funds which have a balance at the end of the fiscal year must return those funds to Gaston County, except as otherwise approved by the Board of Commissioners.

SECTION VII. TRANSFERS OF FUNDS BETWEEN OBJECT ACCOUNTS. Line item changes are authorized only with the approval of the Board of Commissioners as required by law, except as provided below. The Budget Officer is authorized to transfer monies from one line item appropriation to another within the same fund and department in accordance with provisions of G. S. 159-15 (except for the Public Assistance Fund, Health Fund, and Solid Waste Fund which will each be considered one department). In compliance with Resolution 2003- 321, upon making such transfers, the Manager shall accumulate them to be forwarded to the Clerk to the Board on or before the agenda deadline for the next regular scheduled Board of Commissioners meeting so that said transfers may be placed in the agenda and recorded in the minutes of said meeting. Budget Change Requests included in the agenda are for information purposes and will not be discussed by the Board at the meeting unless a Budget Change Request pertains to a resolution that is on the Board's agenda for that meeting. Nothing in this resolution in any way affects the County Manager's authority to make budget transfers by the amount provided in the Budget Ordinance.

The Budget Officer is authorized to make transfers between departments for certain nondiscretionary accounts for which budget requests are calculated centrally rather than by the department director - specifically, gasoline/diesel fuel; rent equipment; rent of data processing equipment; repairs and maintenance; Buildings; repairs and maintenance; Equipment; vehicle maintenance; telephone and mobile telephone; communications equipment maintenance; heat, lights, and water; janitorial and lawn maintenance services; software rental and licensing fees; lease-purchased vehicles and equipment; motor vehicles; and the central purchases and usage accounts for vehicle parts, tires, gasoline and diesel fuel, central supplies, and postage; and salaries and benefits. The Budget Officer shall also have the authorization to make transfers between accounts for funds appropriated in the Self Insurance Fund. The Budget Officer is authorized to make transfers between capital projects within existing funds.

Movement of funds between expenditure categories (Personnel, Operating, Capital and Debt Service) may be requested by Departments, but require approval of the Budget Officer or their designee. No lapsed salary can be used to fund other operational expenditures without the approval of the Budget Officer or their designee. Movement of funds to purchase unbudgeted capital items requires approval of the Budget Officer or their designee.

SECTION VIII. OBLIGATIONS FROM THE PRIOR YEAR. As provided by G.S. 159-13 (b), any funds of a capital or operating nature for which bids have been received or contracts executed in previous fiscal years are hereby re-appropriated. All unpaid encumbrances, ongoing projects that are assigned a project number, capital improvement projects, and any other items which have been approved by the Board of Commissioners, such as grants, are hereby re-appropriated and are to be added to this approved budget.

SECTION IX. SCHOOL BUDGET. Current Expense - The Gaston County Board of Commissioners approves an operating allocation of \$51,501,704 for the Gaston County Board of Education. In addition, the Board

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approves \$1,972,049 for School Resource Officers assigned to schools, as well as \$65,000 for the Commissioners' School of Excellence.

Capital/ Debt Service Funds - The Gaston County Board of Commissioners appropriates 24,392,102 for the school system's FY 2021- 2022 capital and debt service needs, to be allocated as follows: \$1,227,000 for capital needs, \$22,862,102 for debt service, and \$150,000 for professional services related to debt issuances.

In addition, the Gaston County Schools are hereby directed to present monthly financial reports to the Board, as outlined in Section III above. Failure to do so could result in funds being withheld until the requested information is provided.

SECTION X. GASTON COLLEGE BUDGET. In accordance with North Carolina General Statute 115D, Gaston County shall provide, based upon the appropriations herein, funds to Gaston College as needed to meet Current Fund and Capital Fund expenditures. The FY 2021-2022 appropriation for Gaston College totals \$7,979,419 to be allocated as follows: \$5,618,062 for current operating expenses; \$697,219 for capital expenses; and \$1,664,138 for debt service expenditures.

Reserves for future capital projects shall remain with Gaston County to the credit of Gaston College until requested for payment of duly appropriated obligations. Payment of all capital expenditures shall be made upon presentation of the appropriate invoices to Gaston County.

In addition, Gaston College is hereby directed to present monthly financial reports to the Board, as outlined in Section III above. Failure to do so could result in funds being withheld until the requested information is provided.

SECTION XI. APPROVAL OF DEPARTMENTAL BUDGETS. The Board of County Commissioners does hereby approve the amended budget of each department by the County Manager or as amended by this Board on page 5 herein and as more fully detailed in the document to be finalized per Section I above.

SECTION XII. CAPITAL IMPROVEMENT FUND. The Board of the County Commissioners does hereby approve the Capital Improvement Fund as budgeted by the County Manager or as amended by this Board on page 5. Accordingly, the Finance Director is authorized to make the proper entries to the County's accounting records as of June 30, 2022 to cause the net balance of the appropriate projects to revert to the Capital Improvement Fund's fund balance.

SECTION XIII. FIRE DISTRICTS. The Board of Commissioners, by separate resolutions, adopted tax rates for fire districts in the County. The amount to be distributed to each fire district in a given fiscal year is limited to the tax levy based on the approved tax rate. Monthly distributions to the fire districts will be 10.00% of the approved budget beginning in July and continuing through March. Following the June monthly closing, the amount distributed to the fire districts will be reviewed and reconciled to the amount collected. In July, the fire districts will be distributed the amount collected up to the total approved budget.

For all fire districts, any tax receipts collected in excess of the budgeted tax levy shall be retained by the County in an account earmarked for each fire district. Once the fiscal year closeout for the preceding fiscal year has been completed, these funds will be distributed to each fire district as an additional appropriation in the first quarter of any given fiscal year upon board approval.

SECTION XIV. DESIGNATION OF INSURANCE RESERVES AND AUTHORIZATION FOR EXPENDITURES. The Board of Commissioners approves the designation of unspent funds, from "Insurance" line items (510103) and account 010-01-4199-0000-530025 Insurance Deductible" into fund balance titled "Designated for Insurance Reserves".

Adopted this 8th day of June 2021, to become effective on July 1, 2021.

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Exhibit I

GASTON COUNTY, NORTH CAROLINA
BUDGET ORDINANCE
FUNDING SOURCES
FOR THE FISCAL YEAR ENDING JUNE 30, 2022

FUNDING SOURCE	GENERAL FUND	HEALTH FUND	PUBLIC ASSISTANCE FUND	BUILDING SERVICES FUND	COMMUNITY INVESTMENT FUND	COUNTY DEBT FUND	SCHOOL DEBT FUND	CAPITAL IMPROVEMENTS FUND	TOURISM FUND	EMERGENCY TELEPHONE FUND	COURTHOUSE PARKING FUND	FIRE DISTRICT FUND	PROPERTY REVALUATION FUND	SCHOOL FINES REVALUATION & FORFEITURES FUND	DEEDS OF TRUST FUND	SOLID WASTE FUND	SELF INSURANCE FUND	TOTAL
AD VALOREM TAXES	\$ 169,704,498	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,964,004
SALES TAX	\$ 31,286,207	\$ -	\$ -	\$ -	\$ 19,169,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,455,227
OTHER TAXES	\$ 2,432,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 760,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ -	\$ 3,492,700
FEES, LICENSES, & PERMITS	\$ 17,801,080	\$ 3,302,000	\$ 132,200	\$ 2,726,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 899,327	\$ 83,926	\$ -	\$ -	\$ -	\$ 196,953	\$ 8,556,578	\$ -	\$ 36,165,486
SALES, SERVICES, & FEES	\$ 3,693	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,253,423	\$ -	\$ 2,257,066
STATE, FEDERAL, & GRANT REVENUE	\$ 3,820,738	\$ 3,133,346	\$ 25,424,423	\$ -	\$ 2,050,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ 34,442,597
INVESTMENT INTEREST	\$ 350,000	\$ -	\$ -	\$ -	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
MISCELLANEOUS REVENUE	\$ 977,170	\$ 427,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,405,170
HEALTH INSURANCE REVENUE	\$ 3,000,000	\$ 8,987,895	\$ 19,094,386	\$ -	\$ 14,603,990	\$ 7,964,918	\$ 23,012,102	\$ 12,276,760	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 23,173,110	\$ 89,069,651
TRANSFERS IN FROM OTHER FUNDS	\$ -	\$ 2,454,945	\$ 642,200	\$ -	\$ 3,198,170	\$ -	\$ -	\$ -	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,295,415
FUND BALANCE APPROPRIATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 229,376,146	\$ 20,254,186	\$ 45,404,209	\$ 2,726,022	\$ 43,262,780	\$ 7,964,918	\$ 23,012,102	\$ 12,276,760	\$ 813,009	\$ 899,327	\$ 83,926	\$ 6,261,416	\$ 250,000	\$ 564,500	\$ 196,953	\$ 12,120,069	\$ 26,173,110	\$ 431,528,433

RECONCILIATION OF GROSS TO NET BUDGET:

GROSS BUDGET	\$ 431,528,433
LESS INTERFUND TRANSFERS	\$ (89,069,651)
NET BUDGET	\$ 342,458,782

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Exhibit II

GASTON COUNTY, NORTH CAROLINA
BUDGET ORDINANCE
FUNDING SOURCES
FOR THE FISCAL YEAR ENDING JUNE 30, 2022

FUNCTION	GENERAL FUND	HEALTH FUND	PUBLIC ASSISTANCE FUND	BUILDING SERVICES FUND	COMMUNITY INVESTMENT FUND	COUNTY DEBT FUND	SCHOOL DEBT FUND	CAPITAL IMPROVEMENTS FUND	TOURISM FUND	EMERGENCY TELEPHONE FUND	COURTHOUSE PARKING FUND	FIRE DISTRICT FUND	PROPERTY REVALUATION FUND	SCHOOL FINES REVALUATION & FORFEITURES FUND	DEEDS OF TRUST FUND	SOLID WASTE FUND	SELF INSURANCE FUND	TOTAL
GENERAL GOVERNMENT	\$ 41,583,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,764,366	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 72,052,168
PUBLIC SAFETY	\$ 71,282,490	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,924,219	\$ 899,327	\$ -	\$ 6,261,416	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,415,410
EDUCATION	\$ 59,156,615	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,376,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 554,500	\$ -	\$ -	\$ -	\$ 66,013,534
CULTURAL & RECREATIONAL	\$ 6,894,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,794,734
HUMAN SERVICES	\$ 3,957,332	\$ 20,254,186	\$ 45,277,349	\$ -	\$ -	\$ -	\$ -	\$ 1,350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,838,866
ENVIRONMENTAL PROTECTION	\$ 94,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 813,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,120
ECONOMIC & PHYSICAL DEVELOPMENT	\$ 3,560,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,375,690
SOLID WASTE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,067,548	\$ -	\$ 11,067,548
DEBT SERVICE	\$ 42,846,271	\$ -	\$ 120,861	\$ -	\$ -	\$ 7,964,918	\$ 16,634,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,032,521	\$ -	\$ 25,755,402
TRANSFERS OUT TO OTHER FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	\$ 89,069,651
	\$ 229,376,146	\$ 20,254,186	\$ 45,404,209	\$ 2,726,022	\$ 43,262,780	\$ 7,964,918	\$ 23,012,102	\$ 12,276,760	\$ 813,009	\$ 899,327	\$ 83,926	\$ 6,261,416	\$ 250,000	\$ 564,500	\$ 196,953	\$ 12,120,069	\$ 26,173,110	\$ 431,528,433

RECONCILIATION OF GROSS TO NET BUDGET:

GROSS BUDGET	\$ 431,528,433
LESS INTERFUND TRANSFERS	\$ (89,069,651)
NET BUDGET	\$ 342,458,782

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Motion to Reconsider

Commissioner Brown introduced a motion to reconsider item B: *Commissioner Brown - Order to Levy and Collect Ad Valorem Tax for Gaston County Fire Service Districts* and Commissioner Philbeck provided the second.

Chairman Keigher called for discussion; none was heard.

He called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The motion to reconsider carried unanimously.

**** The Board failed to enter a new motion on subject item, therefore the vote on the original motion stands.***

Other Business

Public Hearing - Commissioners Keigher & Philbeck - County Attorney - To Establish the Gaston County Economic Development Aircraft Financial Incentive Program

Chairman Keigher stated the Procedural Rules for Public Hearings were outlined earlier in the meeting. He called for a motion to enter into Public Hearing.

On motion introduced by Commissioner Hovis and seconded by Commissioner Worley, the BOC unanimously entered into Public Hearing.

Chairman Keigher introduced the County Attorney for comments.

The County Attorney advised the proposed incentive program will incentivize aircraft and aircraft hanger investments in the County; any company/business can invest a minimum of \$10M in an aircraft or hanger that is permanently domiciled in the County; the BOC would incentivize such investments through an application process with the EDC; approved applicants would receive a percentage of their initial investment back over three years (45% in year 1; 30% in year 2; 25% in year 3). He stated the program involves more than increasing the tax base - it is also about growing jobs and business opportunities for executives to fly into the County to do business here.

Chairman Keigher advised that the State allows greater incentives in different areas of economic development; this is a tool to help bring big businesses into the County; the City of Gastonia has plans to expand their runways (via tunnels) across Union Road.

Chairman Keigher called for additional comment; hearing none, he announced the Public Hearing had concluded and per NCGS 166A, citizens may provide written comment to the Clerk to the Board.

Commissioner Philbeck introduced a motion to close the Public Hearing. Commissioner Worley provided the second.

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Chairman Keigher called for the vote, and the BOC unanimously closed the Public Hearing.

2021-171 Commissioners Keigher & Philbeck - County Attorney - To Establish the Gaston County Economic Development Aircraft Financial Incentive Program

Commissioner Philbeck introduced the motion *To Establish the Gaston County Economic Development Aircraft Financial Incentive Program* according to the provisions set forth in NCGS 158-71.1 and Chapter 166A. Commissioner Brown provided the second.

Chairman Keigher called for discussion; none was heard.

The Chairman called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The motion to approve **2021-171** carried unanimously as follows:

WHEREAS, the Gaston County Board of Commissioners supports the County's economic development, with an emphasis on tax base development, employer diversification, and job creation; and,

WHEREAS, the Commission recognizes the need to provide programs and financial support to strengthen and diversify the County's economy, recognizing that broadening the tax base is key to the County's fiscal health; and,

WHEREAS, it is important not only to attract new investment but also to support and encourage existing businesses to expand and reinvest in their Gaston County operations; and,

WHEREAS, Gaston County recognizes that the recruitment of aircraft and aviation investment within the County will attract new jobs and a tax base that might otherwise be lost to other counties; and,

WHEREAS, Gaston County desires to create an aircraft financial incentive program where a minimum capital investment is made in a new aircraft or aircraft hangar in the County; and,

WHEREAS, the proposed Gaston County Economic Development Aircraft Financial Incentive Program provides a three-year incentive period for companies, individuals, or flight departments where the following criteria is met:

1. A company, individual, or flight department must complete the Aircraft Financial Incentive Application. A letter of request, addressed to the County's Director of Economic Development, must accompany the application.
2. An applicant must create a minimum capital investment in a new aircraft or aircraft hangar.
3. The minimum capital investment threshold to qualify for consideration shall be no less than Ten Million Dollars (\$10,000,000). The investment must be put in place during the agreed upon period of time established with the Financial Incentive Agreement.
4. An applicant must be the principal employer of persons associated with the considered capital investment.
5. The company, individual, or flight department must be the owner of record in the Gaston County Courthouse or demonstrate through contractual means that they are the payer of any and all fees, taxes, fuel, and utilities to Gaston County.

The financial incentive will be calculated as follows:

1. The Maximum Financial Incentive Amount is calculated by County staff prior to the Gaston County Board of Commissioners' approval and appropriation of grant monies.

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2. The amount awarded is based on the taxable capital investment over the Financial Incentive Period. The amount awarded is the maximum amount of assistance that can be received by the applicant for that specific incentive.
3. The Incentive Period lasts three (3) years, beginning at the time the Request for Funds Form and confirmation of all qualifying criteria have been submitted and received.
4. The Maximum Financial Incentive Amount will be paid in stepped amounts over the Incentive Period.
5. The Financial Incentive Value shall equal 1.0% (0.01) of the Registered Value Incentive Payment given over a three-year period.
6. The Payment Schedule shall be as follows:
 - Year 1 = 45%
 - Year 2 = 30%
 - Year 3 = 25%

The following qualifications must be met in order to be awarded the Financial Incentive payment:

1. Only one (1) financial incentive will be awarded and funded per qualifying aircraft or aircraft hangar, including all associated hangars and land improvements, machinery and equipment purchased or relocated, and jobs created or relocated.
2. To receive any financial incentive monies, a recipient company must be in good standing with Gaston County in regards to all taxes, fees, utilities, ordinances, etc.
3. Financial Incentive payments will only be made when the minimum investment of new aircraft has been met and the recipient company has agreed to the assessed value of the qualifying aircraft, unless variances were agreed to by Gaston County.

NOW, THEREFORE, BE IT RESOLVED that the Gaston County Board of Commissioners creates the Gaston County Economic Development Aircraft Financial Incentive Program pursuant to North Carolina General Statutes § 158-7.1.

BE IT FURTHER RESOLVED that the Gaston County Economic Development Aircraft Financial Incentive Program shall apply effective June 8, 2021.

2021-172 Board of Commissioners - County Attorney - To Approve the Memorandum of Agreement (MOA) Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation

Chairman Keigher introduced the County Attorney for comments.

The County Attorney stated the subject Resolution sets forth the County's participation in a MOA relating to the multi-district national opioid litigation; the County is getting close to a settlement; 76 NC counties and 8 municipalities are litigating this issue; it is important to have that solidarity, if and when that settlement comes to fruition, on how the proceeds will be spent; the MOA provides the BOC a lot of flexibility, as long as the monies are tied to opioid related purposes. There are 16 examples within each option to remediate a lot of the damage that has occurred in our community. High levels of transparency, with significant audit procedures, are entailed within the MOA. The County will get about 3.1% of the settlement amount, which hopefully will be about \$800M to \$850M if all goes well.

Chairman Keigher advised that it will take a long time for the County to receive monies from this.

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The County Attorney stated it involves an 18-year period but the first three to five years are heavily front-loaded.

Commissioner Fraley introduced the motion to approve and Commissioner Hovis provided the second.

Chairman Keigher called for discussion; none was heard.

The Chairman called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The motion to approve **2021-172** carried unanimously as follows:

WHEREAS, as of 2019, the opioid epidemic had taken the lives of more than 16,500 North Carolinians, torn families apart, and ravaged communities from the mountains to the coast; and,

WHEREAS, the COVID-19 pandemic has compounded the opioid crisis, increasing levels of drug misuse, addiction, and overdose death; and,

WHEREAS, the Centers for Disease Control and Prevention estimates the total "economic burden" of prescription opioid misuse alone in the United States is \$78.5 billion a year, including the costs of healthcare, lost productivity, addiction treatment, and criminal justice involvement; and,

WHEREAS, newborns in Gaston County have been harmed by opioid substance abuse at a rate that is over two times the state average; and,

WHEREAS, certain counties and municipalities in North Carolina joined with thousands of local governments across the country to file lawsuits against opioid manufacturers and pharmaceutical distribution companies and hold those companies accountable for their misconduct; and,

WHEREAS, representatives of local North Carolina governments, the North Carolina Association of County Commissioners, and the North Carolina Department of Justice have negotiated and prepared a Memorandum of Agreement (MOA) to provide for the equitable distribution of any proceeds from a settlement of national opioid litigation to the State of North Carolina and to individual local governments; and,

WHEREAS, Local Governments and the State of North Carolina anticipate a settlement in the national opioid litigation to be forthcoming; and,

WHEREAS, it is anticipated that a settlement in the national opioid litigation with Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson will make available, to the counsel with whom Gaston County has a direct contractual relationship, the opportunity to participate in a subdivision and common benefit attorneys' fee fund of approximately \$1.6 billion or more at the national level in exchange for waiver of the counsel's contingency fee agreements with local governments including Gaston County with respect to recoveries from those companies; and Gaston County's approval of the MOA shall be conditional and revoked if, by August 1, 2021, such counsel files a written representation to the MDL Court that counsel does not intend to participate in the subdivision and common benefit attorney's fee fund; and,

WHEREAS, by signing onto the MOA, the state and local governments maximize North Carolina's share of opioid settlement funds to ensure the needed resources reach communities, once a negotiation is finalized, as quickly, effectively, and directly as possible; and,

WHEREAS, it is advantageous to all North Carolinians for local governments, including Gaston County and its citizens, to sign onto the MOA and demonstrate solidarity in response to the opioid epidemic, and to maximize the share of opioid settlement funds received both in the state and this county to help abate the harm; and,

WHEREAS, the MOA directs substantial resources over multiple years to local governments on the front lines of the opioid epidemic while ensuring that these resources are used in an effective way to address the crisis.

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NOW, THEREFORE, BE IT RESOLVED that the Gaston County Board of Commissioners hereby approves the Memorandum of Agreement Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation, and any subsequent settlement funds that may come into North Carolina as a result of the opioid crisis. Furthermore, Gaston County authorizes the County Manager (or County Attorney) take such measures as necessary to comply with the terms of the MOA and receive any settlement funds, including executing any documents related to the allocation of opioid settlement funds and settlement of lawsuits related to this matter. Be it further resolved copies of this resolution and the signed MOA be sent to opioiddocs@ncdoj.gov as well as forwarded to the North Carolina Association of County Commissioners at communications@ncacc.org.

2021-173 Commissioners Hovis & Worley - County Manager - Resolution in Recognition of June 19th as "Juneteenth" in Gaston County

Commissioner Hovis introduced a motion to approve and Commissioner Worley provided the second.

Chairman Keigher called for Commissioner Johnson's voice vote; called for the vote from the remaining members (via show of hands). The motion to approve **2021-173** carried unanimously as follows:

WHEREAS, President Abraham Lincoln signed the Emancipation Proclamation on January 1, 1863, declaring the slaves in Confederate territory free, paving the way for the passing of the 13th Amendment which formally abolished slavery in the United States of America; and,

WHEREAS, word about the signing of the Emancipation Proclamation was delayed some two and one half years, to June 19, 1865, in reaching authorities and African-Americans in the Southern United States; and,

WHEREAS, the celebration of the end of slavery, which became known as Juneteenth, is the oldest known public celebration of the end of slavery in the United States and has been celebrated by the African-American community for over 150 years; and,

WHEREAS, Juneteenth commemorates African American freedom and celebrates the successes gained through education and greater success and reminds each of us of the precious promises of freedom, equality, and opportunity which are at the core of the American Dream; and,

WHEREAS, The first Juneteenth celebration was a time for reassurance, prayer, and the gathering of family members and neighbors and today is a time of remembrance and celebration within communities throughout the country that promotes and cultivates knowledge and appreciation of African American history and culture, while encouraging continuous self-development and respect for all people and cultures; and,

WHEREAS, Gaston County is proud to celebrate this historic day for the first time and is excited to join the Third Annual Juneteenth celebration along with the City of Gastonia, Hope Youth Network and our Diversity, Equity and Inclusion Office at the Rotary Pavilion on Saturday, June 19, 2021 from Noon – 5:00 pm.

NOW, THEREFORE, BE IT RESOLVED that the Gaston County Board of Commissioners on behalf of all of Gaston County, do hereby declare June 19, 2021 as Juneteenth in Gaston County, North Carolina and urge all citizens to join in celebrating this day of significance in the history and heritage of our nation and county.

Commissioner Brown thanked Ms. Pearl Burris-Floyd, Diversity, Equity and Inclusion Officer, and her community group for their work on this recognition.

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Adjournment

Chairman Keigher called for a motion to adjourn the Special Meeting.

On motion introduced by Commissioner Brown and seconded by Commissioner Philbeck, the BOC unanimously adjourned the Special Meeting of June 8, 2021 at 6:29 pm.

(All aforementioned documents are on file with the Clerk to the Board.)

Tom Keigher, Chairman
Gaston County Board of Commissioners

Donna S. Buff
Clerk to the Board


SEAL

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GASTON COUNTY, NORTH CAROLINA

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Chairman
Gastonia Township

Allen R. Fraley
Vice-Chairman
Cherryville Township

Chad Brown
Riverbend Township

Bob Hovis
Crowders Mtn. Township

Kim Johnson
Gastonia Township

Tracy L. Philbeck
Dallas Township

Ronnie Worley
South Point Township

Dr. Kim S. Eagle
County Manager

Jonathan L. Sink
County Attorney

Donna S. Buff
Clerk to the Board

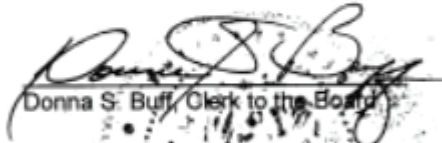
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public service
every day."*

GASTON COUNTY, NORTH CAROLINA

CERTIFICATION

June 9, 2021

I, Donna S. Buff, Clerk to the Gaston County Board of Commissioners, do hereby certify that, pursuant to Chapter 166A of the NC General Statutes, no written comment was received during the 24-hour waiting period for two public hearings held during Special Session on Tuesday, June 8, 2021. The waiting period expired at 6:29 p.m. on Wednesday, June 9, 2021.


Donna S. Buff, Clerk to the Board

