

Bertie County, North Carolina
January 22, 2024
COMMISSIONERS' WORK SESSION

The Bertie County Board of Commissioners met for a work session today at 10:00AM inside the Commissioners' Room, 106 Dundee Street, Windsor, NC. The following members were present or absent:

Present: Ronald "Ron" Wesson, District I
Michael White, District II
Corey Ballance, Sr., District III
Ronald "Ron" Roberson, District V
John Trent, District IV

Staff Present: County Manager Juan Vaughan, II
Assistant County Manager David Scarborough
Assistant County Attorney Jonathan Huddleston
Clerk to the Board LaShonda Cartwright
Information Technology Director Joseph Wilkes

CALL TO ORDER

Chairman Trent called the meeting to order.

INVOCATION & PLEDGE OF ALLEGIANCE

Commissioner provided the Invocation and led the Pledge of Allegiance.

ADDITIONS/CHANGES TO THE AGENDA

Chairman Trent asked the Board if there were any additions or changes that were needed to be made to the agenda.

County Manager Vaughan presented the contract for Aging Services through the Older Americans Act and NC Division of Aging.

On a motion by Commissioner White, seconded by Commissioner Roberson the grant was approved.
The MOTION PASSED with a 5-0 vote.

County Manager Vaughan presented a Resolution for Lead Service Line Investigation Study Grant Assistance for the Board's consideration. The study was required by the state to apply for the grant.

On a motion by Commissioner Roberson, Seconded by Commissioner Wesson, the Board approved the resolution. **The MOTION PASSED with a 5-0 vote.**

Ms. Robin Payne, Robin Payne Consulting and Mr. Chris Cavanaugh, Magellan Strategy Group presented information regarding occupancy tax.

Ms. Payne shared the history of the occupancy tax and the benefit to the community. Guests pay a lodging tax that is used at the local level to benefit tourism. The net revenue will be administered by the tourism authority for designated use. The Board of Commissioners appoint the Board based upon membership definitions. The tourism authority is an independent authority for the Board of Commissioners.

Mr. Cavanaugh shared that vacation rentals like VRBO have an agreement with the department of revenue to submit a record of where the rental occurred, tax rate, and level of activity. They submit a check to the state of NC. The state then remits a check to the county finance office. Counties often allow on-line payment of taxes. If the rental occurs outside of VRBO or Airbnb the owner remits directly to the county.

Commissioner Wesson noted that in other areas renters are not going through the process and not paying. How do we collect?

Mr. Cavanaugh replied that counties contact renters that they are required to pay and educate them. Local media is an option, and inserts can be dropped in the local property tax statements with the rules. There is software to track rental activity in the county. Sales tax is also paid along with occupancy tax. There is reliance on the honor system.

Commissioner Wesson noted that it is going to be difficult to track and follow.

Mr. Cavanaugh replied that the majority are through the larger platforms, and it is relatively easy. The owner directly renting is more challenging.

Ms. Payne stated that there have been questions around large campgrounds and RV's that are not specific to state law.

Mr. Cavanaugh noted that Dare County was collecting on campgrounds but stopped. Campgrounds are a gray area based upon the definitions of taxes. After spending time in Windsor, he spoke to someone at UNC SOG if something has four wall and permanent utilities it can be taxed for occupancy. Determining taxation requirements may require a visit on a case-by-case basis. If it is on wheels, it probably does not qualify for taxes.

Mr. Cavanaugh noted that in general tree houses would probably qualify for taxes based upon utility hook ups. Tent camping or platform may not but the county would need to identify.

Commissioner Roberson questioned how many days or nights the individual stays to occupy before paying taxes?

Mr. Cavanaugh noted that if a property is occupied for 90 days or more the owner is due a rebate on taxes. For example, in Watauga County students went back in the fall of 2020. Universities rented rooms in local hotels to spread students out. The university was paying occupancy tax, and the students

were in the rooms for longer than 90 days. The Tourism Authority submitted the tax paid back to the university. Determining use will be at the discretion of the local finance office. If the owner rents for less than 15 days a year they do not pay occupancy tax.

Bertie County will collect the revenue and can collect a fee for administration. The revenue goes to the tourism development authority. Regarding time shares, if the owner rents out their share, it would qualify. He encouraged reaching out to Dare County to determine why they stopped charging occupancy tax on campgrounds. If property is leased in a campground for more than 90 days, they will not pay an occupancy tax. It is important that communication be ongoing between the commissioners and the local tourism authority.

Commissioner Ballance clarified that Dare County recently stopped collecting on campgrounds and questioned the time to establish a TDA Board.

Mr. Cavanaugh replied that once a TDA is established and the collection date is determined the Board should advertise positions available. There are requirements for membership based upon the legislation. Like other Boards, bylaws will need to be created.

Ms. Robin Payne, Robin Payne Consulting, continued discussion around strategic planning. She shared six areas earlier identified as focus areas. Moving forward we will identify priorities.

The concern around housing continues and the declining population in the county. Bertie has limited retail. Retail brings jobs and supports residential areas. We need additional infrastructure to support the population. We must do something to slow the decrease in population.

Bertie County has a lot of needs and going forward we will identify projects to support the identified needs. Revenue to support the identified projects will be budgeted in future years. It may take multiple years to fully develop a working plan. The strategic plan will assist in driving the budget.

CLOSED SESSION

Pursuant to NCGS 143-318.11(a)(3)(4)(6)

On a motion by Commissioner Wesson, seconded by Commissioner Roberson the Board entered closed session.

On a motion by Commissioner Wesson, seconded by Commissioner Roberson, the Board entered regular session to continue the meeting.

Assistant County Manager David Scarborough provided an update on the animal shelter. He stated that with assistance of the architect the bid packages are available on the website and the state bidding site. The estimate is between \$600,000-\$700,000.

Tax Administrator Jodie Rhea and County Manager Juan Vaughan, II shared revenue projections. Mr. Rhea explained the issue around the Perdue Farms clerical area. We discovered the error resulting in a levy loss of \$270,175. Position vacancies were discussed. Based upon revenue received we are at 73% collected for this time frame.

NCACC District Meeting

The Board reviewed the upcoming NCACC District Meeting. It is requested that Bertie County share the top three challenges, accomplishments, and support received from the association. Support from the association around opioid settlement, communication/resources to staff, and the project coordinator assigned to Bertie County are highest. Challenges and accomplishments were defined to share at the district meeting.

ADJOURNMENT

The meeting was adjourned