

*Kevin Austin, Chairman of Board
David Moxley, Vice Chairman
Cliff Collins, Commissioner
Marion Welborn, Commissioner
Frank Zachary, Commissioner*



*Ed Powell, County Attorney
Lisa Hughes, County Manager
Tanya Gentry, Clerk to the Board*

COUNTY MANAGER'S REPORT

March 1, 2024

Vacancy Report

This week we have 24 vacancies, excluding the 1 of the 5 positions yet to be filled that was created in December. Over half of these positions (12) are in Human Services. Human Services consistently has the highest number of openings within the County and has hovered around 11-12 vacancies for the last few months. Two of these vacancies is in the Sheriff's Office, 4 in Emergency Services and 1 in Solid Waste.

State District Grants

All of the requested revisions to the Scopes of Work have been provided to OSBM. Lindsey has emailed Valarie Hunter 4 times in the last 2 weeks requesting confirmation that she has everything she needs. Still no acknowledgment from the State.

Solid Waste State Inspection

The Solid Waste Facility received its first State inspection since February 2021. Exhibit A contains a copy of the inspection report. Keith Cain is doing an outstanding job of maintaining the Solid Waste Facility and complying with all state requirements.

Multi-Unit Child Day Care Project

The Committee consisting of community stakeholders working on the Multi-Unit Child Day Care Project met the other week and Liz Bell with Education NC was in attendance. She wrote another article about this project and it is in Exhibit B. This project is gaining attention statewide and nationally.

The project is in the early stages of fundraising and has received commitments of over \$550,000 towards its \$2.5 million goal. Due to Sandi Scanelli's (Shallow Ford Foundation) efforts, we were invited to participate in a presentation at the NC Network of Grantmakers yesterday afternoon in Winston Salem. This group is a membership network serving communities through grantmaking organizations. Sandi, Carolyn Choplin (Smart Start), Bobby Todd and I spoke about our efforts and then answered questions. The feedback has been tremendous! Hopefully, it will be fruitful in grant funding!

Economic Outlook

NC State University released its Economic Outlook for 2024. As with most other economists, they anticipate spending to decline and a slight recession. The full report is in Exhibit C.

FY2025 Budget Survey

We are working on a FY2025 budget survey that you should be receiving early next week. The survey is being sent through Forms and will be anonymous. You will be provided optional answers for each question. The survey responses will be used for further budget discussions.

Facility Projects Update

The renovations to the Medic 4 EMS Outpost are anticipated to be completed this week. The renovations to the Medic 5 EMS Outpost are anticipated to be completed by the end of March.

The Government Building had the footings poured and all of the foundation should be poured this week. The anticipated completion date of this project is February 2025.

The groundbreaking for Medic 2 is next Monday at 1pm. It is anticipated to be completed by October 2024 and the demolition of the original building is January 2025.

Water and Sewer State Funding

As discussed at the last Board meeting, the County received \$1,000,000 in the FY2022 State Budget and the plans for those funds had to be submitted to the State by March 1. All of our potential projects exceeded that amount, so as discussed, we submitted the requests to replace the water line to the Medic 2 EMS Outpost that we had to replace due to the sprinkling of the new Outpost and the water rate study. We received a response back from NCDEQ inquiring if we have any other projects to submit as the total amount submitted was \$288,000. The only other things we could think of were installing a SCADA system on the Hwy 21 line and a generator for the booster pump station on the Hwy 21 line. These two projects totaled \$61,900. Being that the deadline for submission was today, we submitted those two projects as well. If the funding for any or all of these projects is awarded, it will require a budget amendment to be approved by the Board before any work on the projects can be begun.

Holcomb Creosote

The EPA continues to monitor the former Holcomb Creosote plant. They will start sampling the groundwater at the end of March. The sampling will take about a week and once they have the results they will determine what else needs to be done. They do plan to conduct a Phase 2 injection.

Legislative Goals

It's time to start thinking about Legislative Goals to submit to the NCACC. The submission process will kick-off in May.

Upcoming Dates

March 4 at 1pm is the Groundbreaking at the EMS Outpost in Jonesville.

March 16, 6:30pm, Fire and Rescue Association Annual Dinner at the Agricultural & Educational Building's Banquet Hall.

Cooperative Extension Report to the People, dinner is included, **March 18 at 5:00pm** at the Agricultural & Educational Building's Banquet Hall.

March 27, 12:30pm-2pm, will be the NCACC District 18 Meeting in Forsyth County. More details to come.

Ribbon cutting of the Yadkin County Library's Story Walk at the County Park, **April 1 at 11:00am**.

April 19, 8:00am-3:00pm, there will be a joint DSS Board meeting in Greensboro for all NC DSS Boards. Being that Yadkin County is a consolidated county and the Board of Commissioners serves as the DSS Board, all of you are invited to attend. The registration deadline is **March 20**. Please let Tanya know as soon as possible if you are interested in attending.

NCACC's County Advocacy Days will be held in **June** over 2 days (evening & next morning) in Raleigh, like last year.

The NACo Annual Conference & Exposition is **July 12-15** in Hillsborough County, Florida. Early bird registration closes **April 16**, so please let Tanya know before that date if you are interested in attending.

The NCACC Annual Conference will be held **August 8-10** in Forsyth County.



FACILITY COMPLIANCE INSPECTION REPORT

Division of Waste Management

Solid Waste Section

UNIT TYPE:

Lined MSWLF		LCID		YW		Transfer		Compost		SLAS		COUNTY: Yadkin PERMIT NO.: 9902-MSWLF-1981 9902-CDLF-1993 FILE TYPE: COMPLIANCE
Closed MSWLF	X	HHW		White goods		Incineration		T&P		FIRM		
CDLF	X	Tire T&P / Collection		Tire Monofill		Industrial Landfill		DEMO		SDTF		

Date of Site Inspection: February 8, 2024**Date of Last Inspection:** February 3, 2021**FACILITY NAME AND ADDRESS:**

Yadkin County MSW Closed Landfills and C&D
1149 Landfill Road
Yadkinville, NC

GPS COORDINATES (decimal degrees): Lat.: 36.180805° Long.: -80.640558°

FACILITY CONTACT NAME AND PHONE NUMBER:

Name: Keith Cain, Solid Waste Director
Telephone: (336) 849-7721
Email address: kcain@yadkincountync.gov

FACILITY CONTACT ADDRESS:

1149 Landfill Road
Yadkinville, NC 27055

PARTICIPANTS:

Keith Cain, Solid Waste Director – Yadkin County
Robert Pike, Environmental Senior Specialist – Solid Waste Section

STATUS OF PERMIT:

MSW Landfill ceased operations on March 30, 1994
C&D Landfill ceased operations on February 28, 2004

PURPOSE OF SITE VISIT:

Comprehensive Inspection

STATUS OF PAST NOTED VIOLATIONS:

None.

OBSERVED VIOLATIONS:

None.

The item(s) listed above were observed by Section staff and require action on behalf of the facility in order to come into or maintain compliance with the Statutes, Rules, and/or other regulatory requirements applicable to this facility. Be advised that pursuant to N.C.G.S. 130A-22, an administrative penalty of up to \$15,000 per day may be assessed for each violation of the Solid Waste Laws, Regulations, Conditions of a Permit, or Order under Article 9 of Chapter 130A of the N.C. General Statutes. Further, the facility and/or all responsible parties may also be subject to enforcement actions including penalties, injunction from operation of a solid waste management facility or a solid waste collection service and any such further relief as may be necessary to achieve compliance with the North Carolina Solid Waste Management Act and Rules.



FACILITY COMPLIANCE INSPECTION REPORT

Division of Waste Management

Solid Waste Section

ADDITIONAL COMMENTS

1. The purpose of this inspection was to inspect the closed MSW landfill and closed C&D landfill.
2. The facility is composed of a closed MSW landfill, a closed C&D landfill, a scrap tire collection area, a white goods collection area, scrap metal collection area, an electronic collection area, and an active transfer station (Permit #9903T-TRANSFER-1994).
3. Yadkin County is planning a project that will include the replacement and relocation of the scales and scale house used in conjunction with the county's transfer station (permit# 9903). Because this project takes place adjacent to the closed MSW landfill and in the vicinity of the landfill gas and groundwater monitoring systems for both closed landfills, it is necessary that the county coordinate the design and placement of these structures with the Solid Waste Section.
4. The facility is secured by perimeter fencing and with access controlled by a locking gate.
5. The facility conducts semi-annual groundwater monitoring as required. The latest groundwater sampling events occurred in March 2023 and in September 2023. Reports covering these sampling events were reviewed online and verified.
6. Landfill gas monitoring is conducted quarterly, as required. Copies of the four most recent landfill gas monitoring reports were provided following the inspection. Review of these reports verified that these sampling events took place on March 14, 2023, May 22, 2023, September 29, 2023, and January 23, 2024.
7. All site monitoring wells were inspected during the site visit. All monitoring wells were easily accessible, labeled with the required information, secured to prevent any tampering, and appeared to be in good condition.
8. The tops of the closed C&D and MSW landfills had been bush hogged and mowed and appeared to be in good condition.
9. No ponding water was observed on the C&D and MSW landfills.
10. The landfill side slopes were observed to have mature trees as observed in the previous inspection.
11. The county's tree management plan includes monitoring all remaining trees on top of the closed landfills or on the landfill slopes, removing those that die or become damaged, and making repairs to the caps as necessary after tree removal. Mr. Cain stated that facility staff perform inspections of the landfill side slopes to identify new growth and to find any areas in need of repair as required by the county's tree management plan.
12. Erosion control measures were inspected and found to be in good condition and appeared to be functioning properly.
13. No evidence of leachate seeps was found during the inspection.
14. Edge of waste markers were observed to be in place during the inspection.

Please contact me if you have any questions or concerns regarding this inspection report.

James R. Pike

Digitally signed by James R.
Pike
Date: 2024.02.23 15:16:52
-05'00'

Phone: (336) 776-9672

Robert Pike
Environmental Senior Specialist
Regional Representative

Sent on: February 23, 2024	x	Email		Hand delivery		US Mail	Certified No. <input type="checkbox"/>
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Copies: Deb Aja, Eastern/Western District Supervisor - Solid Waste Section

Yadkin County leaders changed state rules to make a new kind of child care possible. Now they're trying to build it.

ednc.org/yadkin-county-leaders-new-kind-child-care-model-raise-funding-build/

February 21, 2024



The lot for the new facility, donated by local community members, sits on Progress Lane.
Liz Bell/EducationNC

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Voiced by Amazon Polly

Yadkin County leaders across multiple sectors have rallied around a child care model called EarlyEd FlexPlex that could help rural communities like their own that are struggling with insufficient, unaffordable child care.

Originally designed by Business of Child Care, a Minnesota firm, the model would be the first of its kind in North Carolina. Other counties are watching the Yadkin effort with baited breath for a potential remedy.

“The lack of child care has been such a frustration, and this presents a ray of hope,” said Sandi Scanelli, president and CEO of Shallow Ford Foundation, a community foundation serving Yadkin and nearby counties. Scanelli said she has spoken with eight other interested counties and 10 regional or statewide organizations.

The concept’s facility would house six small child care programs, a model that required changes in state rules for licensed child care. The changes were approved by the state Child Care Commission in September, making the model a possibility across the state. Now the group is raising funds to start construction.

“They’ve made it through all those hoops, and now it’s time to make it a reality,” said County Manager Lisa Hughes.

The model could provide a more financially sustainable option for rural parts of the state, cutting costs by having multiple programs under one roof with administrative support, and opening programs to multiple ages of children. It would produce higher wages for providers and accept subsidies from the state and from local employers to help parents afford care.

The group leading the effort is seeking another \$2 million from local and state sources to get the facility up and running.

Not having to worry about a mortgage or rent, or renovating a building or home to operate a program, will also remove a barrier for prospective child care providers, said Bobby Todd, director of Yadkin Economic Development Partnership (EDP) and Yadkin Chamber of Commerce, which are involved in the initiative.

“We’ve had conversations with providers where their biggest barrier was the capital expense, or bringing their home day care up to standard,” Todd said. “And we’ve taken care of that. That’s no longer an issue.”

The land, donated by community members Marion and Jewell Welborn, sits on a street called Progress Lane, right across from Industrial Drive, where most of the county’s major employers are.

The effort has raised \$590,000 locally and is exploring ways to get the word out to a wider local audience and further build community support.

Related reads



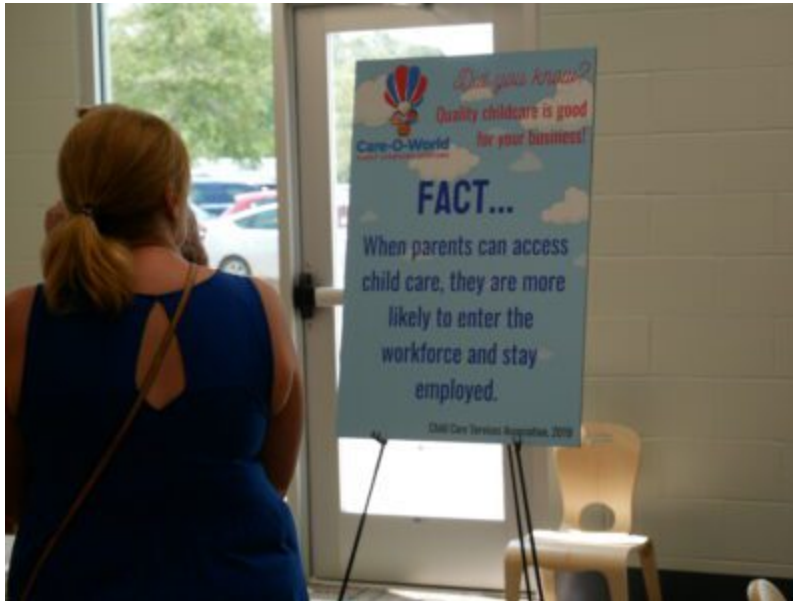
Is the Surry-Yadkin Works apprenticeship program a model? A new playbook shares lessons learned

by Nation Hahn | December 6, 2023



North Carolina loses more licensed child care programs as funding cliff approaches

by Katie Dukes | February 8, 2024



Employees in these 14 counties could be eligible to split cost of child care with employers and state in pilot

by Liz Bell | February 1, 2024

They predict providers, who would also be owners of their programs, would earn \$55,000 a year, and other employees would make \$15 an hour. In May 2022, child care workers made a median hourly wage of \$12.87, which comes to about \$26,770 a year, according to the Bureau of Labor Statistics. Child care administrators' median wage was \$22.10 an hour, about \$45,970 a year.

The facility would be owned by the EDP and leased to the local Smart Start partnership, which would manage the providers and provide quality-enhancing supports to the programs.

The program also would be open to prospective early childhood teachers for on-the-job training and observation. The facility would partner with Yadkin-Surry Works, an apprenticeship program that has created a specific early childhood pathway, said Kevin Austin, chair of the Yadkin County Board of Commissioners.



Bobby Todd, head of the Yadkin Economic Development Partnership (left), and Todd Martin, superintendent of Yadkin County Schools, discuss building plans with Sandi Scanelli, president of the Shallow Ford Foundation; Carolyn Choplin, head of Smart Start of Yadkin County, and Emmy Corn, branch manager of First National Bank Yadkinville. Liz Bell/EducationNC

“That’s what it takes,” Austin said. “It takes the continuum and all the pieces that come together. And this is the hub for industry, and economic development, and career opportunity for these kids who want to be in child care, and entrepreneurship — for those who want to start here and then have their own center. This is the critical piece for that. Everybody’s poised and ready to go.”

The need for child care from every angle

The FlexPlex group has representation from the EDP and the Chamber of Commerce, the county, Yadkinville’s mayor’s office, the K-12 school district, the local Smart Start partnership, the foundation, and local business leaders.

The county has lost two-thirds of its child care supply in recent years, according to a 2021 local study. Providers that are left are struggling as federal grants that have helped programs stay open run out at the end of June.

“They’re very nervous,” said Carolyn Choplin, executive director of Smart Start of Yadkin County. “We’re worried about our existing child care facilities.”

Todd Martin, who is set to retire as the superintendent of Yadkin County Schools at the end of this month after more than a decade in the role, said he has seen the impacts of a broken child care market from every angle.

He was drawn to the issue because of a local school board member who was unable to find child care arrangements when their child’s center closed, he said. The district has also lost teachers who did not return to work after giving birth.

“We’re like any other employer — I think we’re the second largest employer,” Martin said. “Our employees need good, reliable child care.”



A block away from the facility's planned location.



Unifi, a textile manufacturer, sits on Industrial Drive. Its leaders are advocating for FlexPlex due to a need for workers.

Liz Bell/EducationNC

As a partner with private industry, he knows child care is a necessity. And he sees the issue affecting the future of the county's population.

"That's an overarching goal: to get our kids to graduate, (and) when they leave us, they understand they have great career opportunities here, it's a great place to live and raise a family, and we want them to stay," he said. "We don't want the brain drain."

As an educator, Martin said, he knows quality early learning is needed to support children's strong educational outcomes down the line.

"I want teachers to be able to take their students there to come to work — but also have a great facility where they're going to be learning so that when they do come to us, in kindergarten, they're ready to go."

And most recently, Martin has seen the issue affect his own family. His daughter, an elementary school teacher at a local school, gave birth.

“She’s searching, but she does not have child care,” he said. “She wants to return before the end of the school year.”

In the meantime, Martin, who will soon retire, and his retired wife will help out.

“But I can tell you, some folks don’t have that safety net yet,” he said.

News Early Childhood Yadkin



Liz Bell

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Liz Bell is the early childhood reporter for EducationNC.

NC STATE ECONOMIST

Economic Outlook for 2024

Jeffrey H. Dorfman, Hugh C. Kiger Distinguished Professor,
Department of Agricultural and Resource Economics, NC State University

Jeffrey Dorfman is the Hugh C. Kiger Distinguished Professor of Agricultural and Resource Economics at North Carolina State University. In this role, he teaches, performs research on the broad area of the economics and management of the food industry, and fills an extension role assisting growers, industry, and policy makers on topics of pricing, marketing, management, and policy issues. Previously, he spent four years as State Fiscal Economist of Georgia and 34 years as a professor at The University of Georgia. He was a regular columnist for Forbes and RealClearMarkets.com and a frequent economic expert on television and radio shows before being appointed state economist. Dr. Dorfman is a fellow of the Agricultural and Applied Economics Association and a former editor of the American Journal of Agricultural Economics (AJAE).

Key Highlights

- Expecting slowing growth in 2024
- Mild to moderate recession possible, but not certain
- If the weather cooperates, it should be a decent year for NC agriculture
- Top risks are geopolitical disruptions, a consumer spending pullback, and commercial real estate refinancing difficulties



© [Denys Kurbatov] /Adobe Stock

A Recap of 2023

The economy in 2023 was characterized by its exhibition of continued job growth, slowly slowing inflation, falling to flat real wages, consumers running out of the free pandemic money, and a manufacturing sector that declined all year, even in the face of national efforts to re-shore industrial production to the U.S. Overall, however, the economy in 2023 was much better than predicted by most economists as the much forecast post-covid-stimulus recession is still yet to materialize.

The agricultural economy in 2023 was not that different from the general economy: not too hot and not too cold. Commodity prices were generally flat to down. Farmers are finally starting to see some progress on input costs (thanks to oil price declines). Most crops saw decent yields thanks to pretty good weather. Overall, farmers managed to survive the pandemic, the pain from supply chain tangles and inflation during the “return to normal,” and rapidly rising input prices with surprisingly little damage to the farm sector’s financial condition. While many farmers did not enjoy great returns in 2022 or 2023, we have not seen a rash of farm bankruptcies, and farm debt is well enough under control for farmers to weather a period of high interest rates like we are now experiencing.

Looking Forward to 2024

The labor market probably won't be strong in 2024 with job growth either continuing to slow or even reverse, but declining employment won't be the trigger for a recession if we have one. Too many companies will choose to hoard labor to protect against being short-staffed once the economy recovers (a lesson painfully learned in 2020 and 2021). Wage raises will normalize to low single digits. Average earnings will likely perform worse than the employment numbers as layoffs in high-paying sectors such as manufacturing, technology, and finance are offset with lower-paying jobs in the leisure and hospitality, education, and services sectors.

Consumer spending is the most likely cause of a recession if we get one. Bank balances have [re-turned to normal](#) for all but top income groups. For most of 2023, consumer spending was increasing by less than inflation, so while aggregate spending was up, consumers were going home with less stuff. I anticipate that consumer spending, particularly for goods, will weaken in 2024. People have felt inflation enough and are ready to stick with their pandemic-era durable goods purchases for a while. If consumer spending holds up it will be due to continued spending on "experiences" such as eating out, travel, and entertainment. However, my suspicion is that consumer spending will fall as people run out of their pandemic-era free money, see sky-high interest rates on their credit card balances, and decide the smart thing is to build up some savings for a coming recession.

Manufacturing will continue to be weak, having already been in a recession since the second quarter of 2022. This will leave health care, leisure and hospitality, and government as the sectors likely to be adding jobs in 2024. State and local governments have enough reserve funds to continue spending through 2024, and leisure and hospitality are still trying to replace all the workers they lost during the lockdowns so these two sectors will keep hiring. Unfortunately, those jobs are lower-paying, so the most likely source of good-paying jobs in 2024 will be health care. Whether healthcare employment can rise by enough to offset slowdowns in manufacturing, finance, and technology is the question upon which the 2024 labor market will rest.

Interest rates will likely slowly fall through 2024, although not smoothly (they will bounce up and down along the way). This will help support the slowing economy by lowering borrowing costs and helping the housing and car markets return (at least partially) to normal. There are already some signs of both with listings of existing homes for sale beginning to rise in the last few weeks of 2023 and some car manufacturers returning to the practice of offering incentives to lure buyers back to the showrooms. I do not expect the Federal Reserve to cut its interest rates in the first half of 2024 unless it becomes clear that we are in recession. However, interest rates will slowly decline in the first half of 2024 in anticipation of slowing inflation and lower rates from the Federal Reserve. Then, the second half of 2024 should see the first few interest rate cuts by the Federal Reserve. While rates will remain significantly elevated relative to the past decade, the decline will still make debt payments more affordable for all businesses, households, and the largest borrower of all—the federal government. Lower interest rates may be enough to forestall some of the problems looming in commercial real estate loans where the combination of soon-to-come refinancings at higher interest rates, and lower occupancy rates due to a slow return of workers to offices, poses a large risk of financial woes that could even spark a recession if it makes it hard for regular businesses to obtain credit.

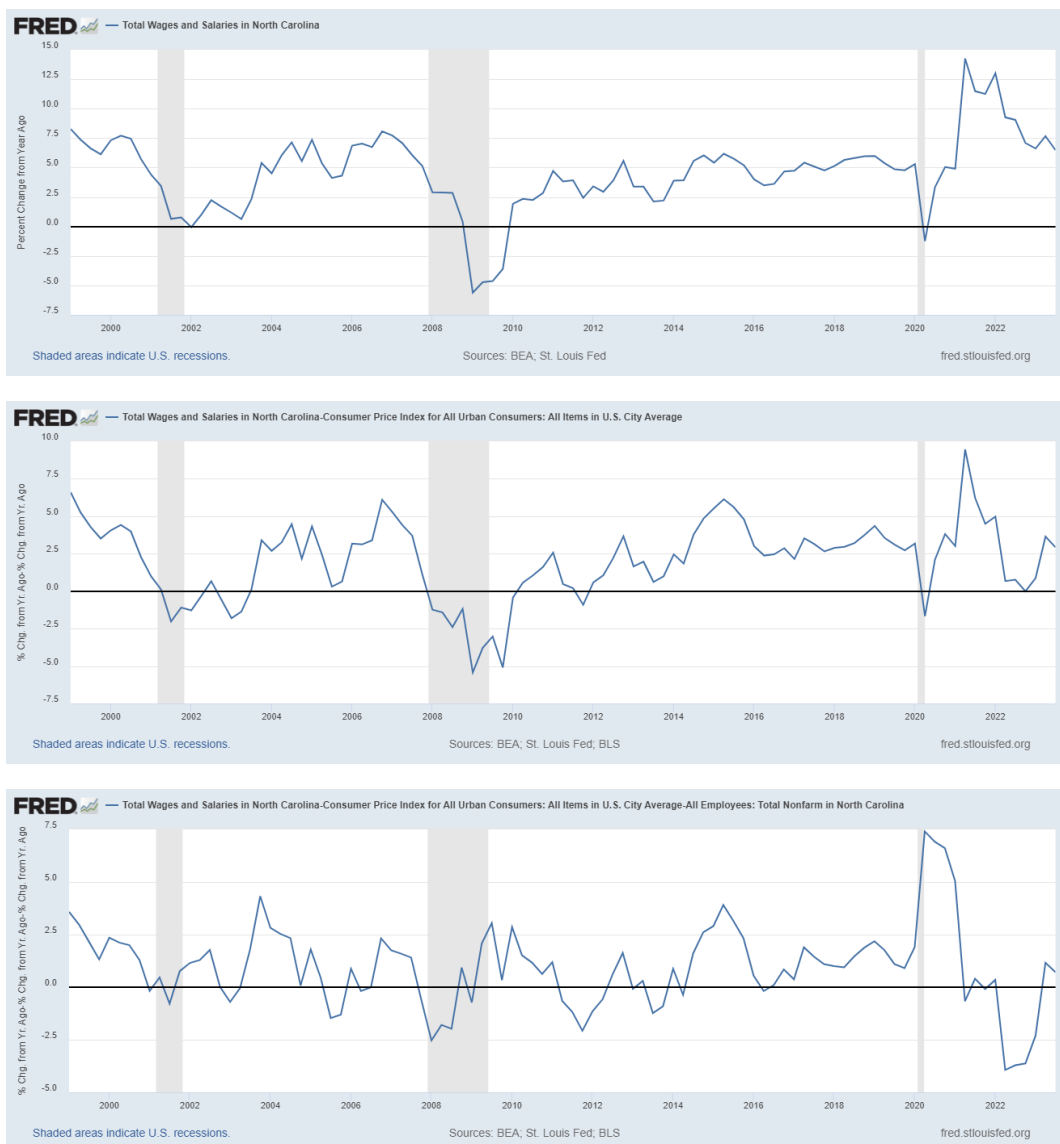
Outlook for North Carolina in 2024

North Carolina will likely do about the same or slightly worse than the nation in 2024, with the heavy doses of technology industry in the Triangle area and finance in Charlotte slowing the economy as those sectors are likely to continue belt-tightening. Supporting job growth will be North Carolina's strong performance in [attracting in-migration from other states](#), aided by the low tax burden and affordable housing outside of the two major metro areas. Additionally, we may see job growth

in smaller start-ups and young firms rather than gains from the tech giants, which could be good for innovation and economic growth. Strong infrastructure in the form of ports, airports, rail, and interstates, plus a favorable location between the deep south and the mid-Atlantic will also favor North Carolina for logistics, warehousing, and wholesaling sectors. These will remain growth industries, even if the retail sector falters, as big firms will continue to grow their logistics base, although perhaps at a slower pace.

In Figure 1 we can see that total wages and salaries earned in North Carolina (the best statistic for measuring regular pay from employment) rose strongly after the lockdown phase of the pandemic ended and has continued to grow quite rapidly (panel a). Then in panel (b), I adjust those earnings for inflation and we see that total wages and salaries in inflation-adjusted terms have grown more slowly, but have still risen continuously over the past three years. Finally, in panel (c), I also adjust for the number of jobs and then we clearly see that on a per-worker, inflation-adjusted basis, earnings have been falling for most of the past two years. This explains why surveys have been showing so many people think the economy is doing badly.

Figure 1. North Carolina Total Wages (a), Total Wages Adjusted for Inflation (b), and Total Wages Adjusted for Inflation and Growth in Jobs (c).



Taking this all into account, I expect the economy in 2024 to display growing weakness. Whether we officially enter a recession is difficult to predict and not very important. Whether or not the country experiences a recession, we are likely to face very slow growth, with numerous sectors of the economy displaying weakness and things overall supported mostly by healthcare, low-paying sectors, and businesses' reluctance to fire workers as quickly as they have done in past slowdowns.

Agriculture in 2024

With a little luck, 2024 could be a good year for North Carolina agriculture. With an anticipated El Niño weather pattern, North Carolina should see good temperatures and near-normal rainfall, while much of the Corn Belt could stay dry and Texas is expected to be wetter than normal. If farmers react to this forecast in their planting decisions, we could see more soybeans planted in the Midwest at the expense of corn acres and more cotton in Texas. The continued dry conditions in the Midwest could help prices for corn and soybeans.

In terms of acres planted, I don't expect any big shifts nationally or in North Carolina. Corn likely gains some acres from soybeans on relative prices (dampened by the opposite effect from El Niño), and cotton probably gains some ground thanks to larger plantings in Texas. Here in North Carolina, I expect to see little change in cotton, peanuts, sweet potato, and tobacco acres planted, with subtle shifts that may not be decided until just before planting season.



Concerning prices, I expect a little bit of favorable movement, but not a lot. Corn (\$4.70-\$5.00/bu), cotton (\$0.75-\$0.80 per pound), and peanuts (\$550-\$600/ton) should see prices somewhere near or slightly above current levels, while soybeans (\$12.50-\$13.00/bu) may see prices drift slightly downward. Exports are helping corn and soybeans, but corn prices will benefit relative to soybeans thanks to smaller stocks and the anticipated good soybean crop in Brazil. Cotton cannot seem to get upward progress on prices in the face of fairly high stocks and weak demand from China. Peanuts are also struggling to get prices more in line with increased production costs because weak demand for peanuts for uses other than in peanut butter is holding the market back. Tobacco had a rosier year in 2023 than in the last few years, and 2024 so far is looking like a repeat: not fantastic, but somewhat better than it has been and definitely profitable. Sweet potatoes have seen lower pricing, both due to overseas competition in the export market and some growers accepting lower offers from supermarket chains in the domestic market. The 2024 price outlook for sweet potatoes is uncertain, with more chance for price improvement than deterioration.

The livestock outlook is somewhat less rosy, with the industry still dealing with the effects of disease outbreaks in layers and hog production. Beef cattle numbers are still down, and thus price is expected to climb a bit more, perhaps to a range of \$180-\$195 per cwt. Hogs should see numbers rebound and price may still manage to tick up slightly, to a forecast range of \$60-\$65 per cwt. Further gains in pork prices are being stalled by weak demand from Asia. Broilers and turkeys are both expected to see reduced production, particularly in the first half of the year, which is not a great thing when prices are also forecast to drop slightly. Thus, we look for broiler prices from \$1.20-\$1.25 per lb and turkey to

fetch \$1.35-\$1.45 per lb. Egg prices should rise at least early in the year due to the Highly Pathogenic Avian Influenza and its effect on flock size.

Growers are finally seeing some progress on the input cost side of their profit and loss statements. In particular, oil prices are down significantly, meaning lower prices for diesel and fertilizer. In some cases, fertilizer prices are down 50% from their 2022 peak, with declines particularly steep in nitrogen. I expect to see continued improvement in fertilizer and chemical prices in 2024, albeit with smaller declines, thanks to the lower gas prices and weaker demand in Brazil due to drought conditions there. The bad news on the input cost side is labor. For producers that rely on H-2A labor the latest Adverse Effect Wage Rates (AEWRs) increase of \$0.90 per hour to \$15.81 will put a significant crimp in the profitability of labor-intensive commodities. I believe that worries about the new classification rules will prove overblown, but that does not remove the 6% increase in hourly pay imposed at a time when it is unlikely that any commodity will see its price go up anywhere near that amount.

Exports will be the key factor in many of these price forecasts as economic weakness overseas or disruptions in world or regional trade are important risks to the demand for many major North Carolina commodities (broilers, corn, cotton, pork, soybeans, sweet potatoes, and tobacco). Any deterioration in world agricultural trade is likely to translate into lower prices.

Taken in aggregate and given some reasonable weather, 2024 should be a decent year for North Carolina agriculture. We could see production costs come down a bit more and above average commodity prices for most of North Carolina's major commodities. Things look a bit better for crops than livestock, but, overall, it would be nice to have a pretty normal year in agriculture.

Summary

In summation, I expect the economy to muddle along in 2024, with either slower growth or an outright recession. I don't think any recession will be too severe since businesses are so reluctant to lay off workers, so whether or not there is a recession may not matter all that much as we are likely to see growth either be mildly positive or mildly negative. Inflation will continue a gradual decline back toward to Federal Reserve's 2% per year target and interest rates will fall a little along with inflation. That will ease credit conditions for businesses.

Agriculture is hoping to see some more returning to normal in 2024, with oil prices hopefully staying low and fertilizer and chemical prices continuing to fall back toward pre-2020 levels. If the weather cooperates and progress continues on production costs (outside of labor), producers in North Carolina should see a decent year for farm income.

Further Reading

Gong, P. (2023, August 2). Where are North Carolina's newest residents moving from? Carolina Demographics, NC in Focus. <https://carolinademography.cpc.unc.edu/2023/02/08/where-are-north-carolinas-newest-residents-moving-from-2/>

Hollerith, D. (2023, November 2). The excess savings amassed by low-income consumers are now gone. Yahoo!finance. <https://finance.yahoo.com/news/dimon-the-excess-savings-amassed-by-low-income-consumers-are-now-gone-164136390.html>

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