

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
February 14, 2022 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in a regular session on Monday, February 14, 2022 at 4:00 p.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Larry Chapman, Vice-Chairman Jake Dalton, David Guice, and Teresa McCall. Chairman Jason Chappell was absent due to a family emergency. Also present were County Manager Jaime Laughter and Clerk to the Board Trisha Hogan. County Attorney Julie Hooten participated remotely via Zoom meeting software.

Media: Dan Dewitt – *Brevard Newsbeat* (participated remotely)
Alex Perri – *The Transylvania Times* (participated remotely)

There were approximately 25 people in the audience, including department heads and staff presenters.

CALL TO ORDER

Vice-Chairman Jake Dalton presiding declared a quorum was present and called the meeting to order at 4:03 p.m.

WELCOME

Vice-Chairman Dalton welcomed everyone to the meeting. He introduced the Commissioners and staff in attendance.

PUBLIC COMMENT

The comments made by the public represent the individual speaker's opinion or point of view. The Clerk to the Board did not attempt to vet their statements for accuracy or modify them based on facts.

Kathe Harris: Ms. Harris serves on both the County and Regional Council on Aging, and previously served on the Koala Adult Day Care Board. She stated that many seniors and families are devastated at the closing of the adult daycare program. She asked for the Board's support in the form of an appropriation of ARPA funds to ensure it remains an option for families in this community.

Al Vissers: Mr. Vissers stated he was saddened to learn about the closing of the adult daycare program. It served his family, so he has a personal stake in ensuring it remains open. The program allowed caregivers to have some respite care and be engaged in the community through their career or volunteer work. He pointed out that statistically more than half of all caregivers die before the one they are caring for because of how taxing caregiving can be on them. Mr. Vissers shared that the Pisgah Health Foundation has expressed interest in supporting the adult daycare program because the current management was not interested in trying to keep the program open at this time without a significant tranche of funds. Their immediate and urgent need is to have a building to house this program and he asked for the Board to consider providing funding to do so.

Greg Frisbee: Mr. Frisbee addressed the Board about the school bond. As a successful business owner in Transylvania County, he shared his recent experience with rising material costs and labor and supply chain issues and asked Commissioners to be cognizant of that as they move forward with issuing the

bond. He was concerned about how these issues may impact the bond projects and the tax rate and whether the students will get the best they deserve. In addition, other schools have needs that have not been met nor are there any funds to meet those needs. Mr. Frisbee said there are alternatives the Board can consider helping move this project forward and benefit the entire school system.

AGENDA MODIFICATIONS

There were no agenda modifications.

Commissioner Chapman moved to accept the agenda as published, seconded by Commissioner McCall, and unanimously approved.

CONSENT AGENDA

Commissioner Guice moved to approve the Consent Agenda as presented, seconded by Commissioner Chapman, and unanimously approved.

The following items were approved:

MINUTES

The Board of Commissioners met in a regular session on September 13, 2021 and following met in a closed session in which the minutes were sealed. The regular meeting minutes were approved at the previous meeting. The Board approved the closed session minutes as submitted.

OUT-OF-STATE TRAVEL REQUESTS – HEALTH DEPARTMENT

The CARE Coalition requested approval for one staff and one Coalition member to travel out of state for the CADCA Mid-Year Training Institute in Orlando, Florida on July 17-21. The Mid-Year Training Institute offers in-depth, interactive training sessions geared specifically for community coalition leaders and staff on topics such as capacity building, strategic planning, evaluation, and evidence-based practices in substance use disorder prevention efforts. As the Coalition will have recently hired a new Coalition Coordinator, this training opportunity will help serve as an orientation to the complexities of community-based prevention work. There is no impact on the County's budget as the travel has been budgeted within the Drug-Free Communities (DFC) grant. The Board approved the request to attend the CADCA Mid-Year Training Institute.

The CARE Coalition requested approval for two staff to travel out of state for the Epiphany Community Services annual conference in Savannah, Georgia on September 14-16. Staff will be trained on topics such as capacity building, strategic planning, evaluation, and evidence-based practices in coalition work. As the Coalition will have recently hired a new Coalition Coordinator, this training opportunity will help serve as a helpful orientation to the complexities of community-based prevention efforts. This event will also feature important networking opportunities with other coalition leaders. There is no impact on the County's budget as the travel has been budgeted within the Drug-Free Communities (DFC) grant. The Board approved the request to attend the Epiphany Community Services annual conference.

The CARE Coalition requested approval for one staff and one Coalition member to travel out of state for the Rx Abuse & Heroin Summit. The summit will be held in Atlanta on April 17-21. The summit shares innovative best practices in substance use disorder prevention, treatment, and law enforcement. It is the largest national collaboration of professionals from local, state, and federal stakeholders who work to respond to the national crisis. There is no impact on the County's budget as the travel has been budgeted within the Dogwood Health Trust "Saving Lives from Opioid Misuse" grant. The Board approved the request to attend the Rx Abuse & Heroin Summit.

ORDER TO ADVERTISE 2021 DELINQUENT TAXPAYER LIST

The advertisement of delinquent taxes is required per N.C.G.S. § 105-369 (a). The Board of Commissioners must approve the list before it is advertised. Any delinquent taxes paid before the date of advertisement will not be advertised. The Board of Commissioners approved the 2021 Delinquent Taxpayer List and ordered Tax Administrator Jessica McCall to advertise the list per statute.

APPOINTMENT OF REVIEW OFFICERS FOR THE CITY OF BREVARD

N.C.G.S. § 47-30.2 requires that the Board of Commissioners designate, by name, one or more persons experienced in mapping or land records management to be appointed as a Review Officer to certify that maps or plats presented to the Register of Deeds comply with all statutory requirement needed for recording. A recent check on the list of Review Officers for the City of Brevard that are recorded in the Register of Deeds Office revealed the need for an updated resolution. The City's Planning Department has experienced turnover and job title changes. The resolution below lists the active Review Officers for the City of Brevard. The Board of Commissioners approved Resolution #03-2022 Appointment of Review Officers for the City of Brevard and instructed the Clerk to the Board to record it with the Register of Deeds Office as required per statute.

RESOLUTION #03-2022
APPOINTMENT OF REVIEW OFFICERS FOR THE CITY OF BREVARD

WHEREAS, Chapter 47-30.2 of the North Carolina General Statutes requires the Board of Commissioners of each county to designate by name one or more persons experienced in mapping or land records management to be appointed as a Review Officer to certify the maps or plats presented to the Register of Deeds as complying with all statutory requirements for recording; and

WHEREAS, the review of statutory requirements is of a technical nature; and

WHEREAS, one of the services that the City of Brevard staff provides to the community is a similar technical process for subdivision plat review in order to verify compliance with the City's development regulations; and

WHEREAS, the City of Brevard has demonstrated a commitment to streamlining the review procedures for proposed developments; and

WHEREAS, it appears most efficient for the City of Brevard to avoid adding another layer of development review by providing for the certification of statutory compliance for all maps or plats to be presented to the Register of Deeds for recording within the context of subdivision review procedures;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF TRANSYLVANIA COUNTY:

Section 1. The addition of the following persons is recommended to be appointed by the Transylvania County Board of Commissioners to serve as a Review Officer for all lands within the municipal and extraterritorial jurisdiction of the City of Brevard in order to certify each map and plat presented to the Transylvania County Register of Deeds for recording satisfies the statutory requirements for recording.

<u>NAME</u>	<u>POSITION/TITLE</u>
Paul Ray	Planning Director
Aaron Bland	Assistant Planning Director
Katherine Buzby	Planner/Assistant Zoning Administrator
Emily Brewer	Planner/Assistant Zoning Administrator

Janice Pinson Administrative Services Manager

Section 2. The removal of the following person as Review Officer for the City of Brevard is recommended.

<u>NAME</u>	<u>POSITION/TITLE</u>
Kaitland Finkle	Planner/Assistant Zoning Administrator
Leigh Huffman	Planner/Assistant Zoning Administrator

Adopted and approved this the 14th day of February, 2022.

S://Jason R. Chappell, Chairman
Transylvania County Board of Commissioners

REMOVAL OF REVIEW OFFICER FOR TRANSYLVANIA COUNTY

Those no longer employed with Transylvania County who served as Review Officers should be removed from the rolls at the Register of Deeds Office. The resolution below officially removes those individuals. The Clerk to the Board will record it at the Register of Deeds office as required by statute. The Board of Commissioners approved Resolution 04-2022 Removal of Review Officer for Transylvania County.

**RESOLUTION #04-2022
REMOVAL OF REVIEW OFFICERS FOR TRANSYLVANIA COUNTY**

WHEREAS, Chapter 47-30.2 of the North Carolina General Statutes requires the Board of Commissioners of each county to designate by name one or more persons experienced in mapping or land records management to be appointed as a Review Officer to certify the maps or plats presented to the Register of Deeds as complying with all statutory requirements for recording; and

WHEREAS, once a Review Officer leaves employment with Transylvania County, his or her name should be removed;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF TRANSYLVANIA COUNTY:

Section 1. The removal of the following person as Review Officer for Transylvania County.

<u>NAME</u>	<u>FORMER POSITION/TITLE</u>
April Alm	Administrative Assistant, Planning and Community Development Transportation Planner, Planning and Community Development

Adopted and approved this the 14th day of February, 2022.

S://Jason R. Chappell, Chairman
Transylvania County Board of Commissioners

TRANSYLVANIA COUNTY AND TOWN OF ROSMAN WATER/WASTEWATER PARTNERSHIP

Transylvania County solicited qualification statements for contract services related to on-call engineering services that included design/build, permitting, and engineering studies for the water/wastewater partnership between Transylvania County and the Town of Rosman. High Country Engineering and McGill Associates responded to the request for qualifications. Upon reviewing the statements, the project team decided High Country Engineering would best fit the needs of the project. The Board of

Commissioners authorized the County Manager to negotiate a contract for the Transylvania County and Town of Rosman Water Wastewater Partnership engineering project.

TRANSYLVANIA COUNTY RFQ FOR PROFESSIONAL ARCHITECTURAL/ENGINEERING/DESIGN SERVICES FOR A NEW EMS BASE

Transylvania County solicited qualification statements for qualified consulting firms to provide architectural and engineering services for the design and contract administration of a new EMS Operations Base. The Board of Commissioners authorized the County Manager to negotiate a contract for the architectural and engineering services for the design and contract administration of a new EMS Operations Base.

PRESENTATIONS/RECOGNITIONS

SEMI-ANNUAL DEPARTMENTAL REPORTS – FY 2023 BUDGET KICKOFF

The Manager stated that this first round of departmental presentations will kick off the preparation for the FY 2023 Budget. Half the departments will present at this meeting and the other half will present at the next meeting. Each department had a limited time to present. Each department also had the opportunity to prepare supplemental documents which were compiled in a notebook for the Board of Commissioners.

Before calling for the first round of presenters, the Manager offered a recommended budget calendar that included a formal presentation of the recommended budget in May, the budget workshop schedule, and approval at the second meeting in July.

The following presentations highlight the work of County departments and highlight the trends occurring in those departments that may impact future budgets, services, or legislation. To keep the presentations moving along, the Manager asked Commissioners to forward her any questions or comments they have after the meeting and will respond to the full Board soon thereafter.

Clerk note: Although some presentations were cut short due to timing, the Clerk to the Board included each presentation in the minutes in their entirety.

The following staff presented to the Board:

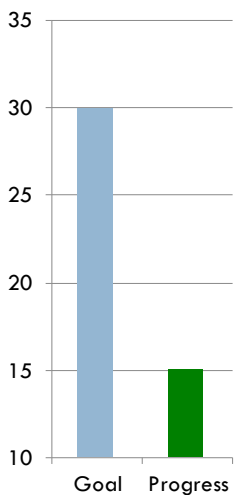
- Jeff Parker, Soil and Water
- Jessica McCall, Tax Administration
- Mike Owen, Building Permitting
- Amanda Vanderoef, Department of Social Services & New Adventure Learning Center
- Addison Bradley, Cooperative Extension
- Kevin Shook, Emergency Management & Animal Control
- Cameron Sexton, Communications
- Elaine Russell, Public Health
- Rishara Finsel, Library

1. Soil & Water

Accomplishments

- Completed **Tropical Storm Fred** Ag. Cost Share Contracts for **17 acres** of Hayland Repair and over **650 feet** of Ag. Road Repair.
- Worked on **14 Field Damage Reports** and Damage Survey Reports thru **EWP for \$2.3 million** in aftermath of **Tropical Storm Fred**
- Footings have been completed thru the **“Good Neighbor Pilot Program”** with the US Forest Service for a project on Cove Creek (**Partners include County Admin. & Finance, Div. of Soil & Water Conservation, USFS & Transylvania SWCD**) (4A)
- Removed 9 debris sites from French Broad for **\$31,425** (4A)

1. Soil & Water



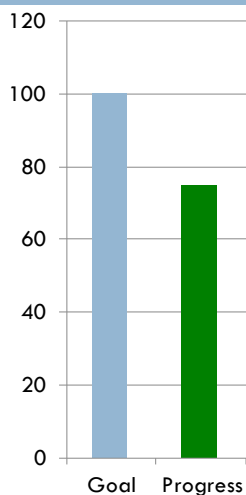
EDUCATION PROGRAMS

TREND:

Program requests have declined due to the pandemic.

Education programs goal: 30 presentations
 Progress: 15 classes participated
Less than goal due to Covid

1. Soil & Water



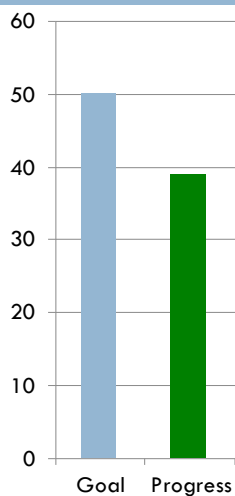
COST SHARE PROGRAMS

NC Ag. Cost Share Program
Is up slightly from last year in
State Funds Allocated
(\$51,216 to **\$72,078**).
*Includes \$24K TS Fred

Soil loss goal: 100 Tons
Soil loss progress: 75 Tons

75% of Goal

1. Soil & Water



COST SHARE PROGRAMS

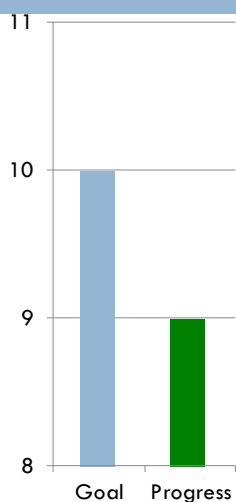
NC Ag. Cost Share Program

Acres affected – planning of
additional acres is ongoing

Goal: Acres Affected 50 acres
Progress: Acres Affected 39
acres

78% of Goal

1. Soil & Water

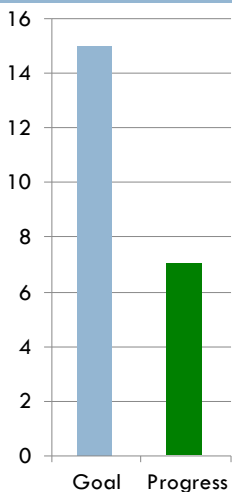


FBR DEBRIS REMOVAL TREND:

\$31,425 allocated to date of the recurring county funds

Goal: 10 sites
 Progress: 9 projects
90% of goal

1. Soil & Water



EQUIPMENT RENTAL TREND:

Rentals should pick up with Spring quickly approaching. (7 renters for 9 days of paid rentals)

Goal: 15 Landowner Rentals
 Progress: 7 Rentals
47% of goal

1. Soil & Water

Goals for FY 2021-2022

- ❑ Increase awareness of rental equipment availability and revenues generated by the equipment(4A).
- ❑ Continue to work with FBR Stewards to secure funds for continued debris removal projects(4A).
- ❑ Increase Envirothon team participation in middle schools and high schools(4B).
- ❑ Continue to administer the NCACSP and other funds made available to the SWCD, reducing sedimentation of streams(4A)

2. Tax Administration

Accomplishments

- ❑ 6B & 6E: One of the top collection rates in State of North Carolina
 - ❑ As of 6/30/2021, 99.80% collected for 2020 tax bills.
 - ❑ Each district collection rate, greater than or equal to 99.50%
 - ❑ Over 8,000 phone calls, 130 payment plans, \$33,567.95 bank attachments, \$30,136.05 wage garnishments
- ❑ 6A, 6B & 6E: Payment coupons and e-Statement option implemented with 2020 taxbills
 - ❑ 4th year to implement the payment coupons and eStatement option
 - ❑ Continues to be well received
 - ❑ Several partial payments received, resulting in payment in full prior to the delinquent date
- ❑ 6B: A portion of the Present Use Value recipients were reviewed per GS 105-296(j)
 - ❑ 200 properties reviewed during this audit, \$7,194.84 discovered as a result of annual PUV review

2. Tax Administration

Accomplishments, continued

- 6B: GAP Billing for unregistered motor vehicles per NCGS 105-330.3 (2) successful
 - Continues to be processed on a monthly basis
- 6B, 6D & 6E: Tax Administration began collecting and maintaining Occupancy Taxes 7/1/2019
 - As of 6/30/2021, \$1,797,985.71 collected for fiscal year 20/21 Occupancy Taxes
- 6C: Implementation of the BiTek ITS Mobile Module has been implemented
 - Allows Tax Administration office to move to a paperless property review in the field
 - Tablets utilized daily for fieldwork
 - New construction
 - Reviews for the 2025 Reappraisal
- 6C: Cross training of Tax Administration staff continues to expand
- 6C: Several Tax Administration staff members obtained and/or maintained certification with NCDOR, NCAAO, NCTCA, NCPMA, and/or IAAO in Property Tax Assessing, Collecting and Mapping

2. Tax Administration

Accomplishments, continued

- 6C: Tax Administration staff received training per the county safety matrix
 - Safety training continues monthly
- 6A, 6B, 6C, 6D & 6E: 2021 Reappraisal
 - North Carolina General Statute 105-286 requires North Carolina counties to appraise all real property at 100% of market value as of the date of the Reappraisal.
 - County wide Reappraisal Notices of Value mailed 2/17/2021
 - Heard and responded to real and personal property appeals in a timely manner
 - 900 Appeals during the informal appeal process
 - Board of Equalization and Review adjourned 5/3/2021
 - 90 Appeals to Board of Equalization and Review
 - 9 Appeals continued to Property Tax Commission
 - 2 Appeal remains at the Property Tax Commission

2. Tax Administration

Accomplishments, continued

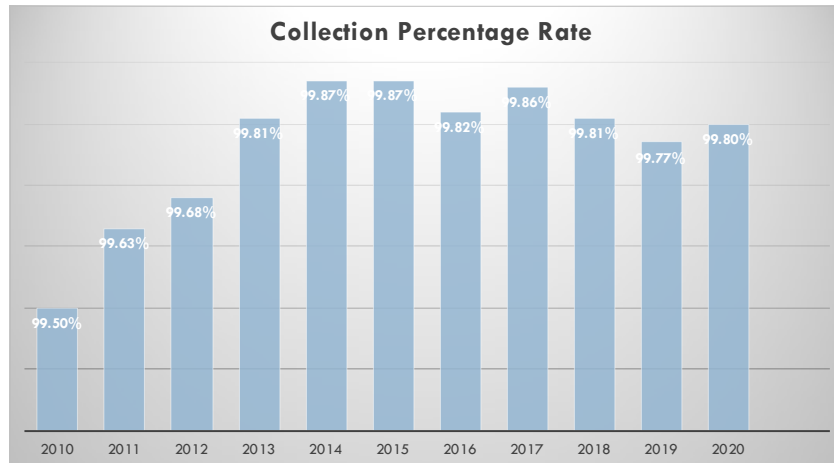
- 6A, 6B, 6C, 6D & 6E: License Plate Agency
 - Teams meeting interview with North Carolina Department of Motor Vehicles 5/26/2021
 - County selected and approved to be new License Plate Agency 8/23/2021
 - Staff attended training in Rocky Mount, NC January 10-28, 2022
 - 1/31/2022 NCDOT staff onsite for training and opening of LPA office
 - License Plate Agency opened to public early February 2022

2. Tax Administration

Trends

- 6B & 6E: Collection rate above state average
- 6B & 6E: Approximately 87% of citizens pay taxes in a timely manner
 - 87.11% as of 1/5/2022, increase of 4.35% from previous year
- 6C: Cross train staff in all areas of the Tax Administration Office
 - Education and training continues virtually and in person.

2. Tax Administration



2. Tax Administration

Goals

- 6E: Provide friendly, efficient, courteous and prompt customer service
- 6B & 6E: Maintain collection rate at 99.5% or better
- 6A, 6B & 6E: Continue to implement the payment coupons and e-Statement option with annual tax billing
- 6B, 6C & 6E: Proficiently review, process and maintain all tax records
 - Real property
 - Business Personal Property
 - Personal Property
- 6B, 6C & 6E: Land records updated, edited and maintained accurately

2. Tax Administration

Goals, continued

- 6B & 6E: Hear and respond to appeals in a timely manner
 - Informal appeals
 - Board of Equalization and Review appeals
 - Property Tax Commission appeals
- 6B: Continue annual review of Present Use Value recipients per GS 105-296(j)
- 6B: Continue annual review process of Exempt properties per GS 105-296(l)
- 6A, 6B, 6C, 6D & 6E: Occupancy Tax
 - Continue to expand knowledge in occupancy taxes
 - Advance with technology in streamlining the occupancy tax payment process

2. Tax Administration

Goals, continued

- 6C: Continue to expand cross training and certification of staff
 - Promote longevity and commitment to Transylvania County Tax Administration
- 6C: Continue staff safety training based on the county safety matrix
- 6A, 6B, 6C, 6D & 6E: License Plate Agency
 - Provide friendly, efficient, courteous and prompt customer service
 - Continue to expand knowledge in License Plate Agency

4. Building

Accomplishments

- Continue to update our software program to add more capabilities for contractors and citizens. (6D)
- New maps have been provided by DEQ naming all stream classifications, and Army Corps of Engineers (i.e., set back requirements from rivers, creeks and streams). (6B)
- Record year with the highest volume of permits issued, fees collected and inspections, while training new staff. (6C)

4. Building

Goals

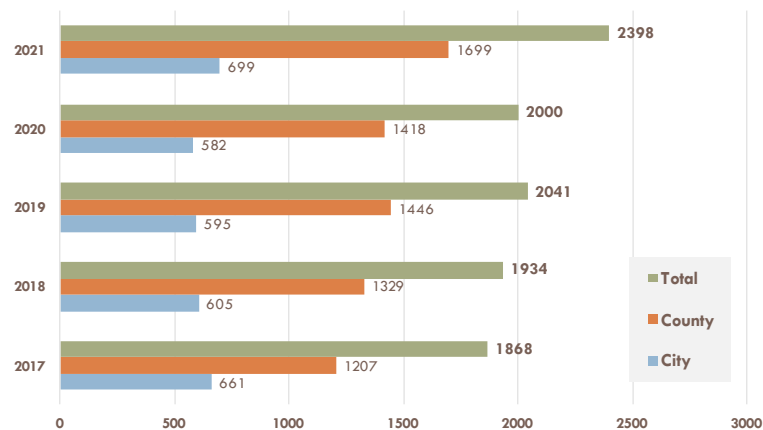
- Enforce minimum code requirements to safeguard the safety, health and general welfare of our citizens and contractors. (6B)
- Educate and train new staff on office procedures and codes. Correctly identify all properties prior to issuing permits. (6C)
- Two inspectors will be receiving their Level III Electrical certifications this calendar year. This will achieve having four inspectors with all Level III certifications in all trades. (6C)
- Provide excellent customer service within 24 hours of request. (1A)

4. Building

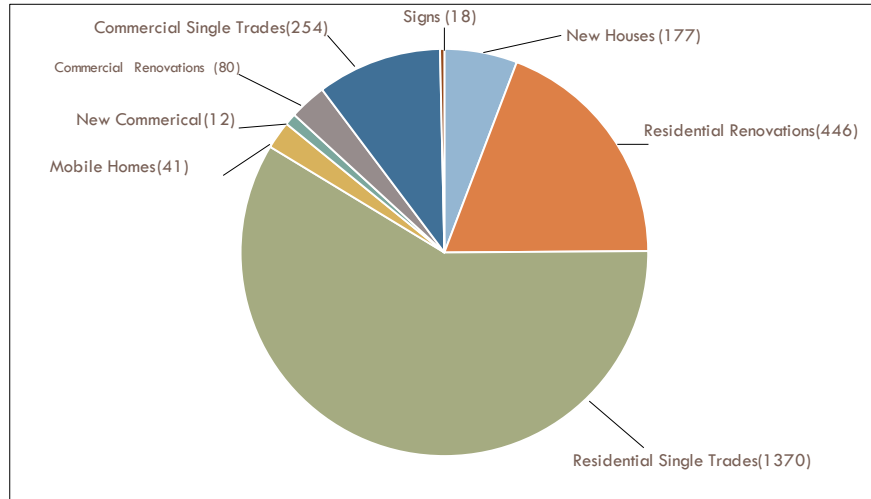
Trends

- Changes to the codes and addendums have increased the volume of traffic to our office, resulting in more inquiries. (6D)
- Due to the ongoing price increases and shortage of contractors, many homeowners are choosing to do their own construction. This leads to numerous questions for staff, as well as more time spent on the job site while doing inspections. (6B)
- Material and supply shortages have created an increase in the number of inspections and trips by inspectors. (6B)

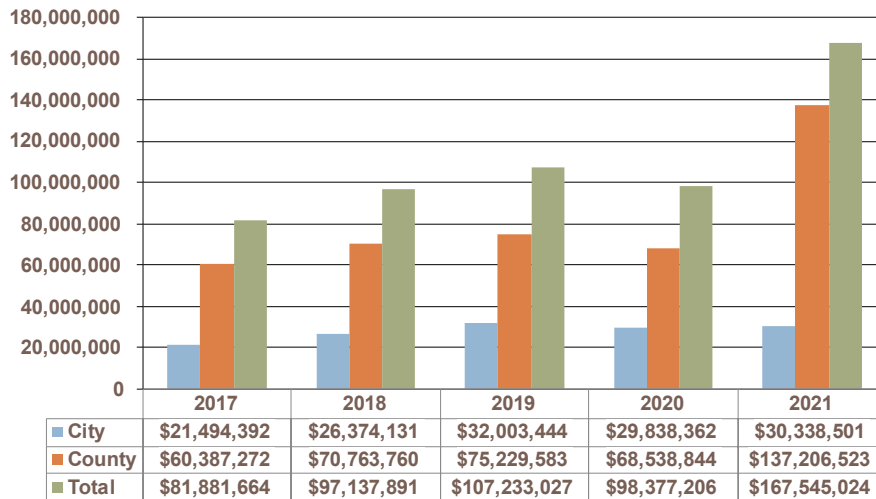
Total Permits Issued 2017 - 2021



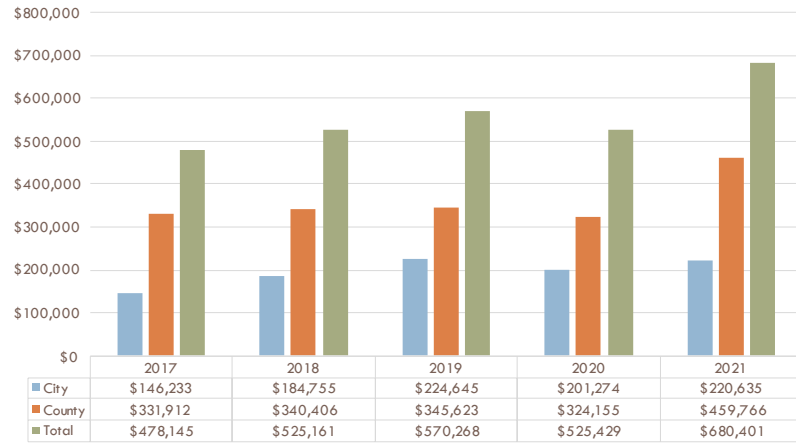
2021 Permits by Type



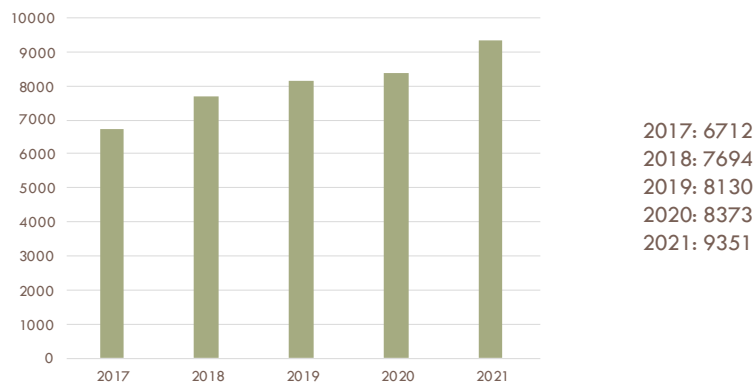
Total Construction Value 2017 - 2021



Total Fees Collected 2017 - 2021



Number of Inspections 2017 – 2021



5. DSS

Accomplishments

- Recipient Eligibility Determination audit was completed and our county was one of the few counties that met the state required accuracy rate of 96.8%
- Fiscal Audit was complete with no findings.
- Child Welfare continues to have multiple interns from multiple Universities, which contributes positively to overall Social Work outcomes and allows for hiring Social Workers trained in Transylvania County.
- Hired new Social Work Supervisor and now all Social Work Supervisors are within state mandated worker-supervisor ratio
- Reassigned foster home licensing responsibilities to focus on recruiting foster homes in Transylvania County
- Provided 147,500 in stimulus payments to young adults who aged out of foster care reaching 18-26 year olds
- Facilitated community sponsorships for over 120 children and disabled adults during Christmas

5. DSS

Accomplishments

- Leadership Team completed “Leading by Example” training and will complete “Understanding Us” in March, 2022
- TCDSS/NCDHHS Memorandum of Understanding (MOU) Agreement: Meeting these in Child Welfare and Adult Services
- Eliminated wait list for Child Care Subsidy
- New experienced attorney hired & paralegal
- Transferred all guardianship cases to contract agency, Hope for the Future
- Contracted Child Support Services to Veritas, HHS
- As of January 2022, finalized 3 adoptions and reunified 8 children back with their parents
- Child Welfare Staff will complete motivational interviewing in February
- Child Welfare staff participated in developing North Carolina Child Welfare practice standards, NCFAS rebranding test drive, and integrating reliability testing to develop structured decision making tools

5. DSS

Goals

- Enhance recruitment, with timelines & goals, of Foster Care Providers & Respite Foster Care Providers for both Foster Homes and Kinship providers
- Administer ongoing climate & culture survey to staff to gauge employee morale
- Continue to invest in professional growth of the leadership team, guided by agency mission, values, and public stewardships
- Improve communication through engagement of stakeholders, the workforce, and feedback loops related to achieving outcomes
- Add a Continuous Quality Improvement position to Social Work programs to enhance training, create more accountability & improve audit & review performance

5. DSS

Trends

- Slight increases in Economic Services caseload sizes: Medicaid cases increased by 172 cases in 2021
- Adult Services continues to see an increase in younger, mentally ill individuals needing assistance.
- Between July 1, 2020 and June 30, 2021, 45 children were ordered into TCDSS legal custody. This was a 58% increase from SFY 1920.
- Child Welfare continues to face extremely complex and difficult cases with compounded abuse and neglect resulting from parental substance abuse and untreated mental illness.
- Work First participation rates have declined, due to pandemic

5. DSS – New Adventure Learning Center

Accomplishments

- Increased education of staff (many staff are advancing their education levels even when not required for licensing)
- Continue to maintain five-star licensure
- Minimal inconvenience to parents during COVID incidences by only closing essential rooms and not the entire center
- Enhanced communication system with parents/families across classrooms regarding center events, closures, happenings & child progress
- Gather child assessments data to inform center-based goals and designs

Goals:

- To research and possibly place cameras in all classrooms (risk mitigation strategy)
- Increase awareness of substitute and volunteer opportunities to recruit a larger pool to utilize during times of need
- Increase parent/family and community involvement
- Combine floater position currently shared with two part time individuals to a full-time position for consistency
- To research a new tuition payment system for parents to utilize

Trends

- Continue to maintain a five -Star license
- Daycare is at full capacity
- The Center is open more often than other daycare centers
- Strong relationships with community partners, parents, and caregivers
- Continue to retain highly qualified staff

6. Cooperative Extension

NC STATE EXTENSION



Empowering People, Providing Solutions, and Adapting to Change

6. Cooperative Extension

Accomplishments

- Contacts:
 - Face-to-face: over 6,000
 - Indirect contacts: over 120,000
- Community Events and Collaborations:
 - Riverfest (4A, 4B): approximately 800 attendees.
 - The Sharing House (5D): thousands of pounds of ground beef donated to neighbors in need.
 - Conserving Carolina, AmeriCorps Volunteer (4A, 4B): natural resource education.
 - Transylvania County Farmers Market: educational events and assistance to producers.
 - AgOptions Grants: \$24,000 in grants directly to producers.



6. Cooperative Extension

Accomplishments (cont'd)

- Community Events and Collaborations Continued:
 - SHIIP (5B): over \$64,000 in cost savings to Medicare beneficiaries.
 - Disaster Response (5A): provided fencing and other farming equipment following Tropical Storm Fred.
 - Transylvania Natural Resources Council (4A, 4B): natural resources education.
 - Ag. Advisory Council (5C): farmland preservation.
- Other Programming:
 - Value-added marketing for cattle farmers: increased revenue by \$65/head, for a total of \$22,750 in the county.
 - 100% of all farmers in the county met all pesticide certification requirements.
 - Certification courses held: Y.Q.C.A. and B.Q.A.

6. Cooperative Extension

Accomplishments (cont'd)

- Adapting to Change
 - Resignations and Retirements:
 - Sara Freeman, E.F.N.E.P. Coordinator and Program Assistant
 - Renay Knapp, F.C.S. Agent
 - Cliff Ruth, Regional Program Coordinator, Horticulture
 - Skip Thompson, Area Specialized Agent, Aquaculture
 - New Hire:
 - Sarah Holden, 4H Agent
 - Change of Leadership

6. Cooperative Extension

Trends

- Diversity of questions
- Greater diversity of pests and problems
- New and beginning farmers
- Local food and community gardens
- Farmland preservation
- Aging of farmers
- Generations away from agriculture
- Health and nutrition



6. Cooperative Extension

Goals

- Continue to provide a high level of service to all clients (4A).
- Assist our farmers:
 - With compliance to regulations.
 - With retaining, locating farmland.
 - With adapting to change.
 - With increasing profits.
- Provide support to county advisory boards (4B).
- Support SHIP program (5B).
- Encourage 4-H youth development (2A).
- Encourage and continue various collaborations to benefit the residents of the county.

8. Emergency Management

Accomplishments

- Staff participated in numerous training virtually
- Continued coordination with Emergency Services Stakeholders (i.e. Red Cross, Volunteer Departments, Public Health, Social Services)
- Continue working with all Emergency Service agencies to assist during incidents
- Continue assisting local agencies with PPE location for Covid19 response
- Continue working with county staff on the response to Covid19 Pandemic
- Completed the EMPGS grant requirements and awaiting award

8. Emergency Management



8. Emergency Management

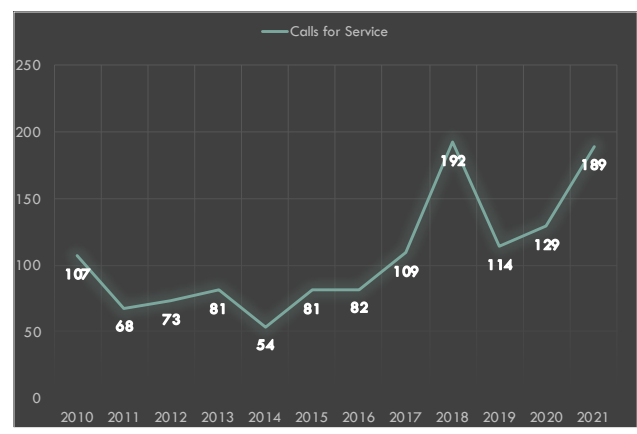
Trends

- Continued coordination of response disciplines
- Continued integration of non-traditional agencies into emergency services response
- Continued need for technical response needs (high angle rescue, water rescue, wilderness rescue, haz mat)
- Continue requests from local and regional agencies for support from staff for specialized services
- GIS capabilities and specialty software such as SarTopo integration into responses are increasing
- Increased responses have been seen over the past year. This is from citizens starting to return to a type of normal activity as well as others exploring new activities that they may not be experienced with.

8. Emergency Management

Trends

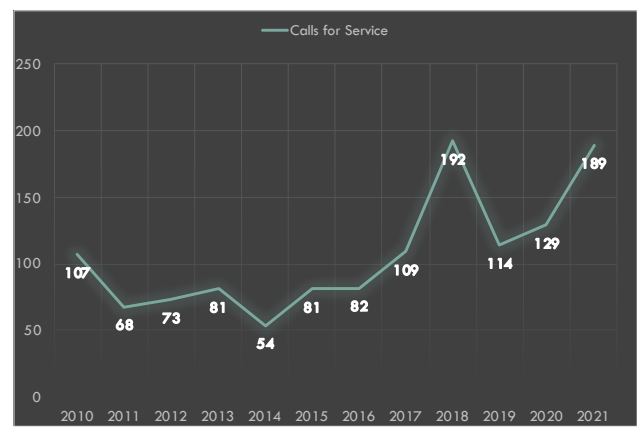
Continued utilization of technical emergency services capabilities both locally and regionally



8. Emergency Management

Trends

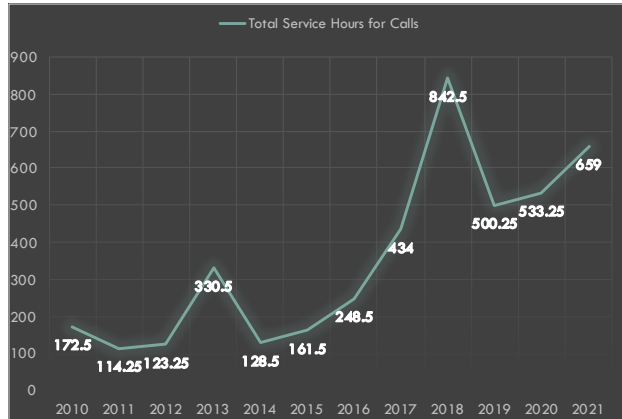
Continued utilization of technical emergency services capabilities both locally and regionally



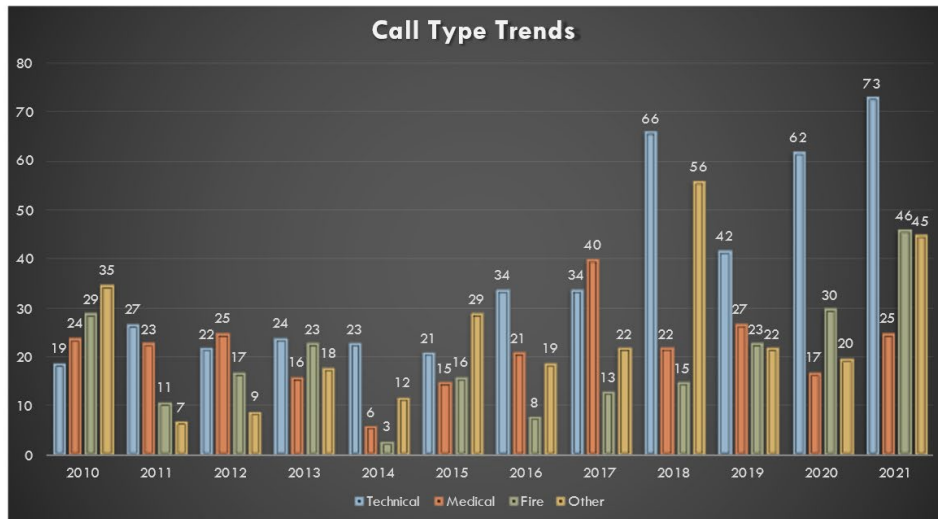
8. Emergency Management

Trends

Trending return to Pre-Pandemic Call demand for services



8. Emergency Management



8. Emergency Management

Goals

- ❑ Continued coordination with Local Agencies (i.e. volunteer fire/rescue, Red Cross, nontraditional emergency services agencies) (5A, 5B, 5D)
- ❑ Continue Strategic Operational Planning of Emergency Services (5A, 5B, 6D)
- ❑ Update of current Emergency Operations Plan to meet current requirements(5A, 5B, 5D)
- ❑ Update County Ordinances to reflect state and federal updates (5A, 5B, 5D)
- ❑ Continue with implementation of the Emergency Response Teams to assist with technical calls (3B, 5A, 5B, 5D, 6C, 6D)
- ❑ Continue coordination and perform the updating of Fire District maps in preparation for the next inspection by the NC State Fire Marshal's Office(4A, 5A, 5B, 5D, 6B)
- ❑ Continue coordination of a centralized GIS program for county government to improve efficiencies of operations both internally and externally thus benefiting the public and staff. (1A, 3A, 4A, 5A, 5B, 5D, 6A, 6B, 6E)
- ❑ Continue work with state, regional, and local agencies on the effort to increase Broadband access in the county (1B, 2A, 2B, 3A, 3B, 5A, 5B, 5D, 6A, 6B)

9. Communications

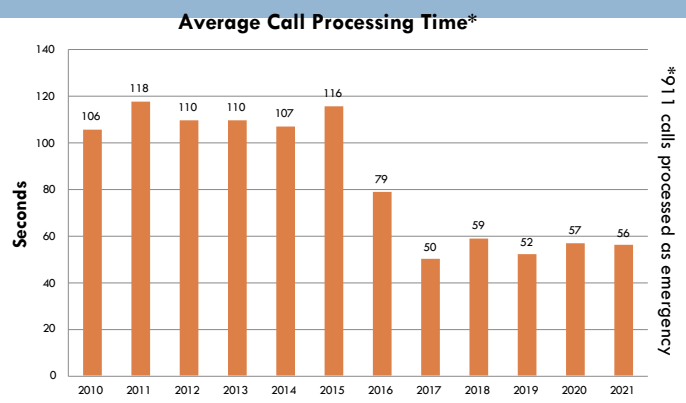
Accomplishments

- ❑ Continued training, certification, and re-certification for all telecommunicators
- ❑ Final phase of the new VHF simulcast radio system implementation that will allow for seamless countywide communications for Fire, Sheriff, EMS, and Police.
- ❑ Attended multiple state board meetings and forums virtually
- ❑ Attended several advanced communication training events (Disaster Comms Week, COM, Tactical Dispatch, Telex Master Technician Course)
- ❑ Assisted with the design, procurement, upfit, and maintenance of numerous emergency services vehicles and their equipment for emergency services agencies
- ❑ Continued our relationship with the Brevard Police Department
- ❑ Installed access control and new security cameras at ROD/Tax Administration
- ❑ Secured fiberoptic resources to increase interfacility capacity for the downtown campus.
- ❑ Secured a replacement tower for Public Safety Facility
- ❑ Established a public facing dashboard for public safety, allowing greater interaction with citizens

9. Communications



9. Communications



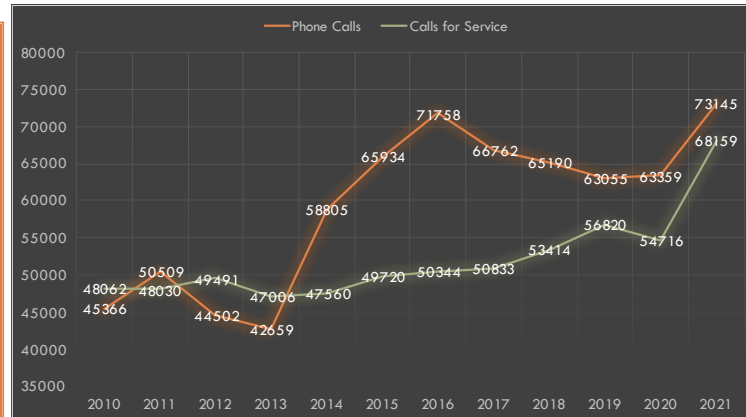
Trends

Call processing time has decreased since the implementation of PowerPhone in 2016. It continues to hold true under our goal of 60 seconds.

9. Communications

Trends

Steady increase in calls for service. Saw a dip with Covid-19, but calls are increasing again.



9. Communications

Goals

- Continue training, certification, and re-certification for all telecommunicators (5A, 5B, 6B, 6C)
- Complete the implementation of the VHF simulcast radio system (5A, 5B)
- Attend required trainings, board meetings, and forums (5D, 6C)
- Upgrade tower and building sites to meet current and future demands of communications (1B, 2A, 2B, 3A, 3B, 5A, 5B, 5D, 6A, 6B)
- Continue work on Broadband initiatives for public access (2A, 2B, 3A, 5D)
- Implementation of new GIS platform to increase public transparency, staff efficiency, and responder capability (5A, 5B, 6E)
- Implement updated Cyber-Security recommendation from Homeland Security (5A, 5B)

10. Animal Services

Accomplishments

- ❑ Increased Animal Control Officer Training
- ❑ Maintained shelter Live Release Rate of over 90% for fourth consecutive year
- ❑ Continued working with civic groups to facilitate the delivery of food and supplies for animals to citizens in need due to the ongoing Pandemic
- ❑ Coordinated with rescues resulting in 322 animals pulled from the shelter by approved rescue organizations.
- ❑ Upgraded one Animal Control Transport Unit to accommodate larger animals and ability to transport multiple animals at one time eliminating the need to return to the shelter after each response call.

10. Animal Services



10. Animal Services

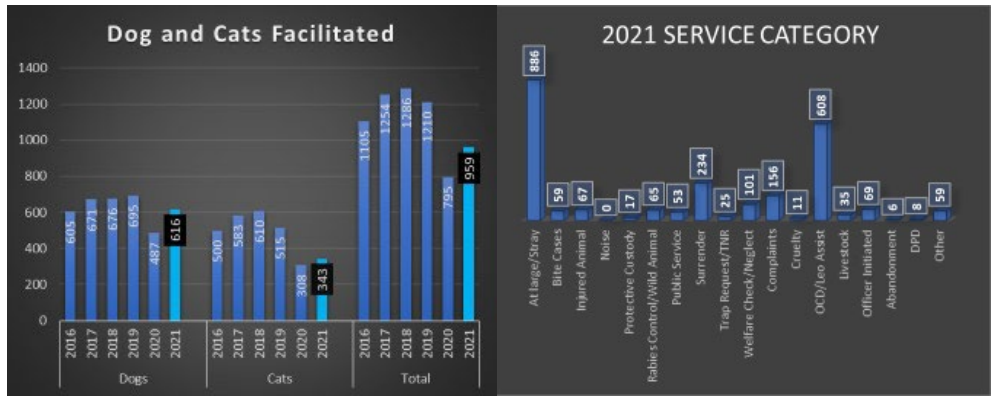
Trends

2021
Calendar Year

Key Operational Metrics	2016	2017	2018	2019	2020	2021	+/- Previous Year
Service Requests	823	1594	1398	1644	2035	2459	+ 20.8%
Total Animals Facilitated Dogs-Cats ONLY	1054	1360	1320	1274	795	959	+ 20.6%
Total Live Release Rate	56%	85%	93%	91%	92%	92%	Stayed the Same
Animal Bites-Exposures	145	61	89	118	84	59	-29.8%

10. Animal Services

Trends



10. Animal Services

Goals

- Continue high live animal release rate (90% +) (3B,5D,6B)
- Provide Quarterly reports for public on operations (6A,6E,3B)
- Continue Animal Control Officer Training to National Standards and include Animal Cruelty Investigation training to the program (6B,6C)
- Provide training to National Standards for Shelter Staff (6B,6C)
- Continue to increase public awareness, focus on spay/neuter education and leash/containment laws (3B)
- Maintain high level of effective, efficient service and response (6A,6D)
- Replace high mileage Animal Control Response Vehicle and make spare unit/retire current spare unit which has limited transport capability(5A,5B)
- Upgrade the Mass Animal Transport Vehicle for efficiency and reliability (5A,5B)
- Work to build the strengths of the various Rescue Groups (5B,5D)
- Continue work on the Companion Animal Shelter options for Emergency Activations (1C, 3A, 5A, 5B, 5D, 6A, 6B)

11. Transylvania Public Health

ACCOMPLISHMENTS:

- Collaborated with multiple systems and partners for COVID-19 education, testing, case investigation, contact tracing, and vaccination (5A, 5B)
- Received new 36month federal COSSAP grant for C.A.R.E. Coalition with TC Sheriff's Office to support incarceration reentry (5D, 6D)
- Developed onsite wastewater (septic) and well modules in HealthSpacesoftware (1A, 6E)
- Consistently maintained WIC caseload above 107% and will receive additional state funding per participant for JanuaryMay 2022 (5B, 6D)

11. Transylvania Public Health

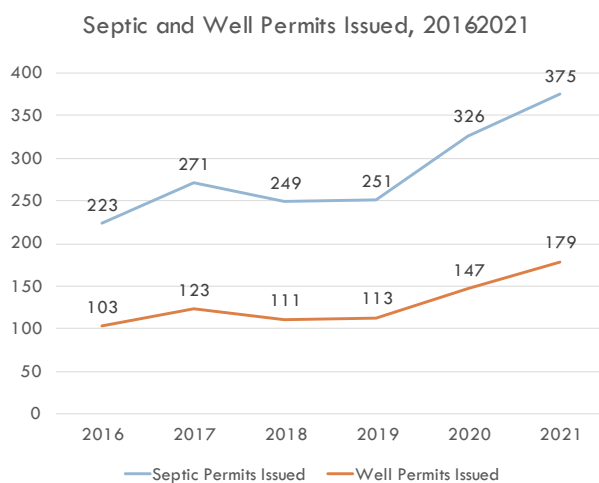
TRENDS:

- Continued shift of trainings, meetings, some services to online model (6A, 6B)
- Public health nursing and admin continuing to experience high workload related to communicable disease response (5B)
- WIC continuing to offer predominantly online services, now serving 114% of assigned caseload (2B, 5B, 5D)
- Environmental health experiencing continued increase in demand for septic and well services (1B, 4B, 5B, 6B)

11. Transylvania Public Health

On-site wastewater (septic) and well permits issued by TPH continued to increase in 2021: septic permits increased by 15% and well permits increased by 20% compared to 2020.

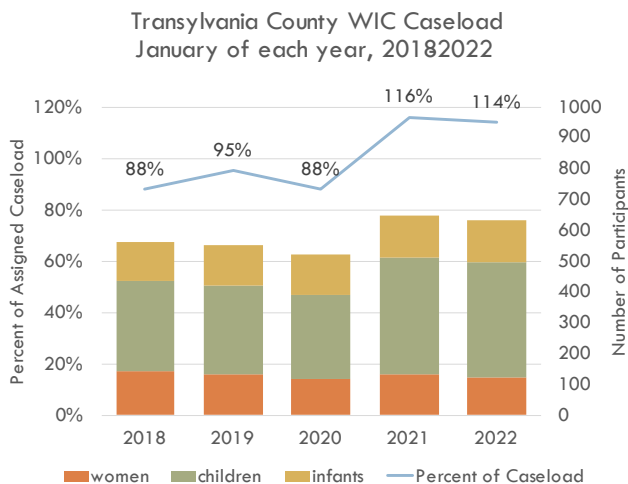
Similar trends are being seen in most counties statewide.



11. Transylvania Public Health

Transylvania County's WIC caseload continues to exceed the assigned caseload.

All participants are receiving additional funding to spend on fruits and vegetables.



11. Transylvania Public Health

GOALS:

- Promote public health collaborations with regional resources such as \$1 million public health workforce development grant (5B, 5D)
- Continue focus on efficiencies and improvements for current programs and projects (1A, 5B, 5D, 6A, 6D)
- Adapt to evolving developments in COVID-19 response moving from epidemic to endemic framework (5B, 5D)

12. Transylvania County Library

FY20/21	Service Population	Visits Per Capita	Collection Use Per Capita	Children's Checkouts Per Capita	E-Content Use Per Capita
Transylvania	35,286	2.7	10.3	3.2	2.5
Appalachian Regional (incl. Ashe)	154,918	1.1	3.0	1.1	0.6
Bladen	34,475	0.5	0.6	0.2	0.1
Buncombe	262,659	1.0	6.1	1.7	2.9
East Albemarle (incl. Dare)	115,788	1.1	2.3	0.8	0.5
Haywood	63,092	1.1	3.5	0.5	1.7
Henderson	117,425	1.4	7.0	2.1	2.4
Scotland	35,767	0.8	0.8	0.2	1.5
Fontana Region (incl. Jackson & Macon)	95,020	1.3	4.4	1.0	2.1
Sandhill Regional (incl. Montgomery)	237,852	0.2	1.2	0.3	0.7
Statewide Average		1.0	3.8	1.0	1.8
Transylvania Rank		1	2	2	9

(of the 71 County and Regional library systems in NC)

Based on preliminary data reporting from the State Library of NC

12. Transylvania County Library

Accomplishments

Patrons checked out more in FY20/21 than in the last "normal" (pre-pandemic) year.

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TCL is #1 among county & regional libraries in NC for checkouts of physical materials: books, video & audio.

35% higher than the #2 library.



12. Transylvania County Library

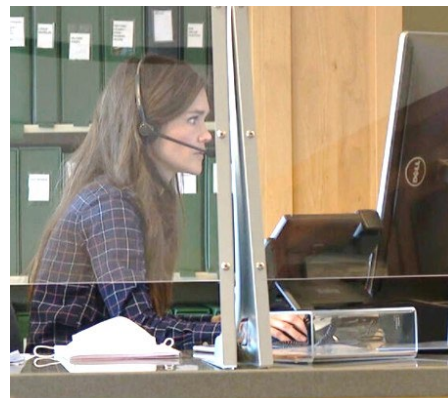
Accomplishments

COVID Call Center

- Operated 4.5 months
- Answered over 16,000 calls
- Modified library services

New Programs & Services

- Expanded Hullabaloo early literacy program; now offer every week.
- Outdoor yoga – expanding in 2022!
- Indoor and outdoor games to check out
- Consumer Reports online now available



12. Transylvania County Library

Q1 & 2: July - December

	2021	2022	% change
Library Visits	47,290	61,980	+31%
New Patrons	683	960	+41%
Program Attendance	2,091	4,529	+117%
Public Computer Use	3,109	5,174	+66%
Wireless Internet Sessions	8,386	12,296	+47%
Total Collection Use	187,811	188,320	+0.3%



12. Transylvania County Library



Goals 2a,b

12. Transylvania County Library

Goals

- Update library strategic plan and goals with a new 5-year plan (2022/23)
- Explore and pursue policies and practices that eliminate barriers to library services. (2B)
- With new branding, raise countywide awareness about library events, resources and services. Launch new library website. (6E)
- Continue to resume larger inperson library programs and events as conditions allow
 - Expand hands on and interactive programming for all ages to support a wide variety of learning styles. (2A)
 - Continue work with County and Community partners to develop and enrich outreach programs for all ages. (5D)

This concluded the presentations for this meeting. The Manager reminded the Board that some departments submitted supplemental information which she provided in a notebook for Commissioners. She also asked the Board to send her questions they may have, and she will provide written responses to the entire Board. The second round of presentations will occur at the next meeting.

Vice-Chairman Dalton called for a 10-minute recess at 5:25 p.m. The meeting reconvened at 5:35 p.m.

APPOINTMENTS

JOINT HISTORIC PRESERVATION COMMISSION

There are two vacancies on the Joint Historic Preservation Commission. The Clerk to the Board received one application from Dr. Hannah Detoma. She is eligible to serve on this commission and her appointment is recommended. Staff will continue to seek applicants for the other vacancy.

Commissioner Guice moved to appoint Dr. Hannah Detoma to fill a vacancy on the Joint Historic Preservation Commission, seconded by Commissioner McCall and unanimously approved.

TRANSYLVANIA COUNTY COUNCIL ON AGING

April Alm (Transportation) and Sheila Galloway (DSS) have both left employment with Transylvania County. County Transportation and the Department of Social Services are represented on the Transylvania County Council on Aging. There is also one vacant senior citizen position. Allen McNeill, Planning and Community Development Director will fill the Transportation position on an interim basis until the new Transportation Planner is hired. DSS Director Amanda Vanderoef requested the appointment of Ashlie Justus to replace Sheila Galloway to represent DSS. Dr. Michael Newberry applied for the senior citizen vacancy, and he is qualified to serve in this role.

Commissioner moved to appoint Allen McNeill to replace April Alm for the Transportation position, Ashlie Justus to replace Sheila Galloway for the DSS position, and Dr. Michael Newberry to the senior citizen position, seconded by Commissioner Guice and unanimously approved.

NEW BUSINESS

CONSIDERATION OF 2022 COST OF LIVING ADJUSTMENT

Human Resources Director Sheila Cozart, and Budget and Management Analyst Kate Hayes presented this item jointly, along with the County Manager.

Labor Market- Local Government

All employers are facing recruitment difficulties, and this is evident in local government as well. Job openings are near an all-time high. Recruitment difficulties include:

- Accelerated retirement rates, partly due to pandemic
- A disproportionate number of women are leaving the workplace, due to childcare, home or virtual schooling needs, and other reasons.
- Work-from-home options have changed the landscape of employment which is challenging for local government services that must be provided in person
- Generational priorities include varied or reduced work schedules, pay for advancement, and remote work opportunities
- There are not enough job seekers to fill vacancies

- Local government career recruitment before the pandemic was starting to show signs of weaknesses with fewer students going into programs like BLET or public administration to support the ongoing available workforce. The pandemic created new challenges for essential career fields with many of those in the local government realm.

Employers have increased wages to attract and retain employees amid the demand for employees to continue providing much-needed essential services to the community. If we are unable to recruit staff to provide services, there are significant risks and consequences for local government, especially with counties charged with public safety, public health, and human services.

Surrounding county governments have seen new challenges in both recruitment and retention of employees. They are starting to respond with considerations of pay increases, salary studies, and even sign-on bonuses.

Transylvania County has started to see the challenge with vacancies due to increased competition from other counties and the private sector. In the first six months of FY 2022, the County had 48 requisitions created or posted across 15 departments. While three of these positions were the result of expanding services to include operating a License Plate Agency, the remaining positions were either vacancies or part-time recruitment. Considering requisitions with multiple vacancies, Transylvania County has seen 54 vacancies in this six-month period. This information does not include the full-time staff of the Sheriff's Office because they are not deploying the same human resources software as the remainder of the organization. In these six months, there have been at least 15 offers across eight departments declined by the applicant with offers ranging from a work-against status to offers above the midpoint of our salary grades. It is the professional opinion of the staff that these are early indicators that the compensation system may be starting to fall behind due to the unforeseen sharp increase in competitiveness driven by the pandemic.

Transylvania County Compensation Philosophy

The County completed its most recent compensation study in 2018 and implemented it in September 2019. The Board of Commissioners funded the full implementation of the study as well as a cost-of-living (COLA) increase of 2.3% in 2020 and 2% in 2021. Otherwise, there have been no additional salary increases since the compensation study two and a half years ago that would effectively move employees through their salary ranges.

The County Personnel Policy states, "Each year, effective during the month of February, employees will receive an increase to their annual salaries equal to the percentage increase in the annual Consumer Price Index for the prior calendar year, based on available funds. The pay plan will be revised annually for all grades and ranges to reflect any increase in the Consumer Price Index for the County to remain competitive in the regional labor market."

In 2020 and 2021, staff requested for the CPI not to affect the salary grades and ranges to avoid internal salary compression for new and existing staff. The salary study moved the County to a formula-based compensation system that honors years of experience and education to calculate the salary within the range to address problems with compression and equity. Two individuals with the same experience will calculate at the same salary creating equity throughout the local government in positions requiring the same skills and responsibilities. Once placed into those ranges in 2019, employees have only had compensation increases through COLA and have not progressed through the ranges according to additional earned experience. Moving the ranges would create compression without moving existing employees within the ranges. A COLA increase is important to try to keep salaries at market rates and help employees to afford goods and services and housing as pricing goes up. Employers who do not offer a combined salary adjustment to offset inflation often find their salaries falling behind their competitors

much faster. COLAs help retain experienced, trained, and valuable employees, but COLAs do not help with recruitment concerns.

During each budget cycle, staff works to forecast the CPI for the coming year. Those projections form the basis of an allocation in the budget to fund the CPI increase in February per the County policy. After reviewing economic indicators and discussing the concerns over projected inflation rates for 2022, the Manager recommended factoring 3.5% into the budget for COLA which was high based on the prior decade. Based on the Bureau of Labor Statistics, the CPI rose to 7.1% for the year ending December 2021 reflecting a 40-year high for CPI growth. An additional \$325,383 will be needed to fund the COLA at 7% for the remainder of FY 22.

To prepare a recommendation for the Boars, the staff analyzed two areas. Staff first evaluated whether the County could afford a 7% COLA increase for the 2022 and 2023 fiscal years. Second, staff gathered information from surrounding and competing counties.

Market Considerations and Other Factors

Human Resource staff gathered information from comparison counties and jurisdictions in our regional market to see what they have done to address compensation for this year. The detail is shown below and reflects honoring the CPI at 7% would not be out of step with the regional market changes being made by other counties.

- City of Brevard – July 1, 2021 – Total 4% (2.5% COLA + 1.5% merit)
 - Adjusted the minimum rates of pay to \$15 per hour
 - Conducting a Compensation Study
- Jackson County – July 1, 2021 - provided a 2% step effective July 1
 - Conducting a Compensation Study
- Macon County – conducted and implemented a compensation study; staff waiting on a response for further detail
- Polk County – January 2022 - 7.5% COLA
- Haywood County – total varies (2% COLA and implemented a compensation study)
- Henderson County – total varies but at least 7% (July 2021 – 3% COLA+ January 2022 COLA 4% + compensation changes)
 - Times-News reports – January 2022 - 4% COLA, plus an additional adjustment based on position (ex: Social Services, public health, environmental health, and building inspection staff 4%; and EMS staff 8%)
 - Adjusted the minimum rates of pay to \$15 per hour
- Buncombe County – no information

Additional consideration on compensation is that Transylvania County tracks slightly behind on benefits due to no 401K employer contribution for non-law enforcement personnel (law enforcement receives a 5% contribution by state statute). Many of Transylvania County's comparable counties (Macon, Haywood, Henderson, and Buncombe Counties) provide an employee contribution or match to the 401K for general employees. Recently the City of Brevard also began providing a contribution to employees. This is an area in which Transylvania County is not competitive.

Transylvania County Fiscal Evaluation for 7% COLA

The Manager and Finance Director reviewed the revenues to date for FY 22. Revenues are currently tracking ahead of budget with sales tax bringing in approximately \$172,520 per month over the budget projection with most of the increase in Article 39 sales tax which does not have a required earmark for spending like other articles. A conservative approach to projecting through the end of this fiscal year will

net \$1.3 million in excess revenues and all indicators are that the increased revenue will be there for FY 23. Additionally, the County has new revenue sources that will be available to offset personnel costs such as federal inmate revenue and revenue from operating the tag and passport offices.

A 7% COLA would generate an increase to the County budget in FY 23 of \$1,262,285. This increase reflects an overall 1.7% budgetary increase or 3.1% minus the capital reserve, education funding, and fire department supplement. A portion of that increase would also be offset in FY 23 by state matching dollars for DSS programs.

After reviewing the current revenue data and evaluating projections for FY 23, the Manager and Finance Director agree that the County can afford the 7% both in the current budget and in the projected FY 23 budget due to the revenue growth. Management has already issued budget instructions prioritizing maintaining existing personnel capacity and services with little consideration of other operational increases unless necessary.

Summary

Transylvania County is a great place to work and has a positive reputation which is helpful for the recruitment and retention of skilled professionals. That factor combined with the pay study implementation in 2019 has brought Transylvania County into the market range for employment. To maintain a competitive position in the market, staff recommended the approval of a 7% COLA to coincide with the CPI indicator used in the County policy after a review of the fiscal position and the local government employment market. Continuing to track COLA with CPI will lessen the burden of a compensation study in the future by minimizing the gap over time. This will help reduce costs to the organization that are driven by turnover, training, and overtime by focusing effort on retention. Staff will continue to monitor the rapidly changing market and evaluate the inclusion of an update to the compensation study to evaluate competitiveness in the recommended FY 23 budget. This would not entail a full-blown study so the cost should be in the range of \$30,000. However, the staff is not making that request at this time.

A COLA intends to keep up with the market and it is typically paired with some type of merit increase. The County's Personnel Board has discussed ways to move employees through their salary ranges but has yet to come to a consensus on a system that makes sense in the current environment. Research conducted by the UNC School of Government indicated counties are reverting to a step increase program or something similar.

It has been a challenge recruiting people into local government careers. The pandemic added another challenging layer in that most county employees are considered essential workers and had to continue serving the public face-to-face during an unprecedented time. Many people decided they no longer wanted to work in local government which impacted the labor market. The staff did not see this trend ending soon.

Recommendation

Staff recommended the Board approves a 2022 COLA at 7% (currently budgeted at 3.5%) effective February 14, 2022 (reflected on the payroll of March 4) to all non-probationary full- and part-time employees. As in 2020 and 2021, staff did not request to move the salary ranges which will help avoid internal compression. To summarize, staff reported the financial impact of the implementation to be \$325,383 in additional funding from the existing revenue over budget and \$1.26 million in FY 23 to be offset with revenue growth projections.

Board Discussion and Action

Commissioner Chapman wondered if working taxpayers are getting 7% increases and whether the Board would be faced with raises taxes next year. He reminded the Board of the recent 22% tax increase that was approved by the voters for the school bond projects and said he doubted the public would be amenable to another tax increase to pay for all the needs the County has. He shared his concerns about the sustainability of such an increase and the continued growth of government. He said eventually there may need to be a review of the services the citizens are demanding versus what they are willing to pay for. Commissioner Chapman stated that he has never seen a 7% increase in his working career, and he felt it was a lot for this Board to consider giving at one time. He stated that it is important for the County to have the best employees and that they are compensated, but he was concerned about the overall impact on the County's budget now and going forward.

Commissioner McCall agreed with Commissioner Chapman that a 7% increase is a lot to consider at one time, yet she supported the employees and having competitive pay. She stated that if the County funds it cannot sustain this level of spending in future years without a tax increase, she intends to evaluate staffing levels and look at other potential reductions in costs. She pointed out that the high inflation rate is impacting the entire nation and wages are not keeping up with what people are having to pay to make a living. She too was concerned about all the other needs the County has.

Commissioner McCall asked if staff had looked at moving the minimum rate of pay to \$15 an hour and what the cost would be to do so. Ms. Cozart replied that the staff has not considered this as an option because doing so would cause other issues. One of the reasons is that the implementation of the compensation study was meant to relieve compression. Under the previous compensation plan, some supervisors were making only slightly higher salaries than those they supervised. So, an arbitrary minimum would create additional compression issues. Staff recommended instead a plan to address all the issues at once.

Commissioner McCall asked what the cost would be to implement the 7% COLA as requested and conduct an updated study to determine the impact of changing the salary ranges. Staff responded that they could run the numbers to determine the impact. Staff also shared that they are contemplating for the FY 23 budget a review of range comparisons in some categories where more growth has occurred or whether they were outside of the market.

Commissioner McCall asked about possible solutions to offset the potential requests for higher COLAs in the future. Ms. Cozart replied that the compensation study included a recommendation for COLAs and a method for moving employees through their salary ranges, but the Board at the time did not implement the second component. That would have helped to keep the compensation plan whole for a longer period.

Commissioner Guice stated that this request comes before the Board of Commissioners in a challenging time, but it is extremely important for the employees. He agreed that everyone is experiencing the rising costs of goods and services, not just local government employees. Commissioner Guice stated that the compensation study implemented in 2019 put the County in a better position to be competitive and pay employees for their education and years of service. Employees were very grateful for the Board's decision to implement the study, especially for those whose pay was lagging for some time. However, the Board at the time did not agree on a method for moving employees through the salary ranges and he felt it was important to meet that need. Commissioner Guice agreed that the challenges before the County are great and cannot be addressed without considering a tax increase, while at the same time being able to take care of employees. Otherwise, employees are going to seek better employment elsewhere, specifically those in law enforcement. While the additional revenues coming into the County could be used to address several issues, he advocated for doing what he felt was right which was the recommendation coming from the Manager and Human Resources Director. He noted that this request is not being driven by employees.

This is a true cost of living adjustment that will enable employees to continue caring for themselves and their families. Commissioner Guice pointed out the COLA has historically been based on the CPI.

Vice-Chairman Dalton called upon Sheriff David Mahoney to share some of the challenges his office is experiencing.

Sheriff Mahoney said he was employed through several compensation studies during his time with the Sheriff's Office, and while the Boards of Commissioners have been good to implement those studies and COLAs, they have failed at moving employees through the ranges and thus the County cannot remain competitive with other local government organizations. To keep the system whole, it is important to maintain a healthy COLA and merit pay to progress employees through the ranges and keep up with the market demands. Because the Board continually does not implement the full recommendation of each compensation study, the system does not last long enough, and then the price tag of implementing the study becomes increasingly difficult to consider. Sheriff Mahoney pointed out that if the Board would appropriately implement the full recommendation of a study that would apply the COLA and a method to move employees through their ranges, they would not be faced with doing studies every couple of years. Sheriff Mahoney stressed that everyone wants assurance that the County is employing the very best employees to perform the services we provide to citizens. He asked the Board to give serious consideration to the staff's recommendation. Otherwise, employees will fall further behind.

Sheriff Mahoney pointed out it took six months for his office to become fully staffed and he still has one position unfilled. He shared that it is difficult to recruit employees for detention work when the starting salary is less than fast food workers.

Commissioner McCall was appreciative of Sheriff Mahoney's insight and comments. She stated that the 7% COLA does not give her pause, but she is concerned about how to move forward and put in motion a plan to address the compensation system that includes a COLA and merit or step increase to ensure the County remains competitive. She is committed to this Board resolving the issue.

Commissioner Guice was also appreciative of the Sheriff's comments. He touched on a couple of Sheriff Mahoney's comments that he thought were key and he agreed with Commissioner McCall about the need to address the issue of moving employees through the ranges. While he knows the decision will not be easy, he also wanted to positively impact an employee's retirement. That is done through compensation, not bonuses. Commissioner Guice shared his concerns about the difficulty with recruiting detention officers and other key employees, so he strongly felt that the Board needed to approve the recommendation. Otherwise, he agreed with the Sheriff that employees are going to fall further behind. Lastly, Commissioner Guice stated that he has always believed that organizations must invest in their most important assets, that being employees and reminded the Board that County employees are considered essential workers and performed critical work over the past two years during the pandemic.

Vice-Chairman Dalton asked how the COLA would affect an employee at the top of their salary range. Ms. Cozart reported that those employees would receive a lump sum in place of a COLA. She pointed out that less than a handful of employees are in this situation. In response to earlier questions from Commissioner McCall, Ms. Cozart reported that 13 position classifications have ranges below \$15/hour, meaning approximately 40 would start at the entry-level.

Vice-Chairman Dalton pointed out that the budget already includes 3.5% for a COLA, and staff is seeking another 3.5% to equal 7%.

Commissioner Guice added that staff has shown the Board how this can be funded.

Commissioner McCall said she does not want it to appear that she does not support the recommendation, but she is concerned about the path forward and realistically addressing concerns raised during this discussion and one which citizens can afford.

Commissioner McCall moved to approve the Manager's recommendation, seconded by Commissioner Guice. Commissioner Guice suggested the Manager charge the Personnel Board with studying the long-term solution and bringing back a recommendation to the Board. Commissioner Chapman reiterated his earlier comments regarding his concerns with giving a 7% COLA and he commented that most citizens are not receiving a similar increase in their jobs. Although he felt the employees deserved the increase, he believed it would be a hard sell to the citizens. Commissioner McCall agreed with Commissioner Chapman's comments but said she did not have a problem explaining to the citizens that this is the right thing to do. She would like to have a future discussion on how to reduce costs. There were no further comments, and the **motion passed by a vote of 3 to 1, with Commissioner Chapman voting against.**

2ND QUARTER FINANCIAL REPORT

Finance Director Jonathan Griffin presented the 2nd Quarter Financial Report. He reported that this information is organized by major funds and that some funds are not detailed in this narrative because their portion of the County's financial position would be considered immaterial. All financial information is presented as received or recorded by the County as of December 31, 2021.

To understand the revenues in the General Fund, note that this report encompasses the following:

- Six months of property tax collection and other revenues
- Five months of motor vehicle taxes remitted from NCDMV
- Three months of sales taxes remitted from NCDOR

On December 31, 2021, revenues and expenses should be 50% of the budget. Actual revenues are at 59% of budget (9% ahead) and actual expenses are at 47% of the budget (3% behind).

General Fund Revenues by Function

FY 2021 General Fund revenues through December 31 were \$37.7 million compared to the FY 2022 revenues through December 31 of \$41.9 million. The major variances are highlighted below followed by further detail:

- Real and personal property taxes
 - Rate increase effective 2022
- Motor vehicle taxes
 - Down due to seasonal fluctuations
- Occupancy Taxes
 - Strong short term rental market
- Public Safety
 - First full year of dispatch contract
- Public Health
 - COVID-related reimbursements
- Social Services
 - Grant payment timing plus changing programs
- New Adventure
 - Payor mix changing

Ad valorem property tax collections were reasonable during the second quarter. Increases over the prior period are related to tax increases implemented in the FY 2022 budget to offset increased costs not borne by other County-controlled funds.

Local option sales taxes distributions are approximately \$437,000 higher than the prior year, driven by the growth in online sales and changes in the sales tax base. Receipts from the state represent transactions that occurred in the first three months of FY 2022 (July through September), which are received on a three-month lag time.

Occupancy taxes, levied by the County at a rate of 5% of gross sales, slowed slightly in the second quarter of the year. The first quarter, which encompassed the end of summer, was 20% over the prior year. Now that has fallen to 18% over the prior year. These are required to be remitted to the Tourism Authority and are reflected on the financial statements as an expense to that entity.

The Register of Deeds receipts have slowed slightly and are approximately 2% behind where they were last year but still likely to generate a surplus over the budget since the budget expectation was set at a more conservative level for FY 2022.

The Office of the Sheriff has significantly less revenue in the second quarter of 2022 than in 2021. This is attributable to a single primary factor - that the inmate population through December 31, 2021 was still lower than in prior years. Though the County authorized the Sheriff to join an intergovernmental agreement to house federal inmates last calendar year, the revenues have been slower to arrive than anticipated.

The EMS Department is closer to budget than they were at the start of the year which is a product of increasing billable trips. First quarter collections were 5% behind prior year. Now at the end of the second quarter, they are only 2% behind prior year. At this rate, revenues should surpass the prior year by the third quarter.

Other Public Safety is primarily services at the Animal Shelter, annual state grant revenues to Emergency Management, and the interlocal agreement with the City of Brevard to operate dispatch services. The primary increase in revenue against the prior year is the full year of the agreement to operate dispatching for the City of Brevard.

Development revenues, representing primarily Building Permitting and Enforcement, but also smaller revenues owed to the Cooperative Extension and Soil and Water departments are lower than they were in the prior year. This is mostly attributable to timing issues around grants from the State Department of Agriculture to the Soil and Water Department.

Public Health is significantly higher than the prior year (41%). This is driven primarily by the Medicaid Cost Settlement received by Public Health in August for \$100,000. The Medicaid Cost Settlement represents an end-of-year reconciliation performed by the State to even out lower Medicaid services paid on a fee basis and the total cost of providing the service. The timing of these revenues was unpredictable before "transformation," but is expected to be more predictable going forward.

Social Services is significantly lower than the prior year's first quarter, but this is mostly driven by timing related to the DSS 1571 reimbursement process. This will catch up as the year goes on.

New Adventure Learning Center's revenues are about 11% lower than they were in the prior year. This is mostly driven by a change in the payor mix, with NC Pre-K revenues having fallen as a result of the change in program status.

Public Transportation's revenues are significantly higher than in the prior year, but this does not represent a growth in revenues available. The State opted to pay out the entire ROAP grant for the year in one distribution in the second quarter. This represents approximately \$150,000 to be spent over one year.

Miscellaneous Revenues represent donations, smaller non-governmental grants, property and liability insurance settlements, and investment revenues. The primary factor addressing lower miscellaneous revenues here are timing issues around the recording of PILT and restricted Timber Receipts (received by the County as compensation for federal land).

General Fund Expenditures by Functional Area

FY 2021 General Fund expenditures through December 31 were \$31.9 million compared to the FY 2022 expenditures through December 31 of \$33.8 million. The major variances are highlighted below followed by further detail:

- Public Facilities
 - Community Services Building roof replacement
- Sheriff
 - Capital purchases and additional staff
- Emergency Management
 - Additional positions due to dispatch contract
- Fire and Rescue
 - Increased General Fund supplements
- Development
 - Tourism Development Authority remittances were up
- Transfers
 - Support of Solid Waste functions through property taxes

County Administration, which consolidates the Board of Commissioners, Administration, Human Resources, Information Technology, Finance, and Central Services, is 3% below the prior year, attributable mostly to employee turnover in the Information Technology Department.

The Board of Elections expenditures is significantly lower, attributable to a much smaller election in 2021 than in 2020 (full general versus two municipals).

Tax Administration is 7% below budget, attributable to employee turnover.

The Register of Deeds' expense budget is slightly behind the prior year, driven by slightly lower excise tax collections which are shared with the State. The largest component of the Register of Deeds' expense budget is the required revenue sharing with the State.

Public Facilities (Maintenance and Housekeeping) is 53% higher than the prior year, a function of capital projects being underway to improve the County facilities. During the first quarter of 2021, all capital projects had been frozen. The largest component of this is \$300,000 in payments for the roof replacement on the Community Services Building.

The Office of the Sheriff's expense budget is currently 9% higher than it was last year, a function of capital outlay (\$171,000 of vehicle replacements so far this year). Some of the usual pressure points in the detention center, such as and medical expenditures are also being spent at higher rates than they were the prior year.

Emergency Management (a consolidation of Emergency Management, Fire Marshal, Emergency Medical Services, the Animal Shelter, and 911 Communications) is significantly above the prior year's expenditures but within budget. This has two primary factors – the expansion in dispatch services due to the contract with the City of Brevard and the EMS department's expenditures returning to a more normal level in the General Fund. For half of FY 2021, expenditures for EMS salaries were charged to the CARES Act resources.

Volunteer Fire Departments and Rescue Squad expenditures in the general fund are higher due to the increased appropriations to Volunteer Fire Departments, as directed by the Board and offset by an increased general fund tax rate in the FY 2022 budget.

Agriculture and Economic Development (a consolidation of Planning and Community Development, Cooperative Extension, Soil and Water Conservation, and remittances to the Tourism Development Authority) is stable against the prior year and within expectations. The increased expenditures are related to the remittances of occupancy taxes to the Tourism Authority, which are an economic development expenditure on the County's financial statements.

Social Services has approximately \$150,000 of expenditures more than the current year, driven in part by State-mandated expansions in benefit programs. Spending on LIEAP is \$60,000 higher than the prior year, the LIHWAP program has added approximately \$10,000 of expenditures and the LINKS program is an additional \$145,000 of expenditures.

Public Transportation expenditures are higher in the general fund mostly because of timing issues around the CARES Act reimbursements which will reduce Public Transportation expenditures in the General Fund once those reports are filed.

Education is effectively flat, as the County awaits the implementation of a State Budget, which will drive expenditures in K-12. There are some outstanding expenditures concerning Transylvania County Schools' capital program – the cumulative difference between appropriations to major projects (with a budget of greater than \$50,000) and what has been submitted to the County to be paid is now \$671,000. Once those projects are beginning or underway, there will be increased expenditures in Education that may require adjustments to the budget.

Expenditures by Type

In addition to examining expenditures by functional area (which delineates responsibility for which County officials are responsible for their areas of the budget), expenditures by type shows the various ins and outs of how the County expends resources. Rather than reviewing each function, this report highlighted the categories with significant differences from the prior year.

Personnel costs are higher than the prior year, a function of higher per-employee amounts billed to departments for the health insurance program and the restoration of frozen positions, as well as the addition of EMS salaries back into the General Fund, which was billed elsewhere during the first half of FY 2021 due to the CARES Act. EMS salaries in the General Fund are \$400,000 more in FY 2022 due to that change.

Other Agencies is higher than the prior year due to increased appropriations to Transylvania County's volunteer fire departments from the General Fund, to offset a stable tax rate in each of its service districts.

Social Assistance is higher than the prior year due to timing related to several State-mandated benefit programs, which represent larger payments to DSS clients or vendors for services received by DSS

clients. All expenditures are reimbursable by at least 50% depending on the mix of State and federal funding.

Insurance expenditures are up mostly due to workers' compensation claims.

Remittances to the Tourism Authority from occupancy taxes are up, as well as remittances to the NCDOR for the required shared revenue from the Register of Deeds.

To align the County's quarterly financial reports with the new Board policy Finance has begun transferring resources between funds earlier in the year. The prior practice, when transfers were not a significant component of the General Fund budget was to record these transactions at year-end. Instead, the Finance Department is transferring dollars between the County's accounting funds throughout the year in monthly increments. As a result, approximately \$842,000 of resources have been moved out of the General Fund to offset shortfalls elsewhere, most of which has gone to the Solid Waste Fund.

The difference in General Fund revenues (\$41.9 million) and expenditures (\$33.8 million) is expected due to the primary revenue sources (most notably property taxes) being paid in December and January. Property tax collections will slow from February to June as the levy is wrapped up, but expenses will continue through the end of the fiscal year.

Other Major Financial Items

Solid Waste Fund

Solid Waste Revenues in the first quarter are approximately \$873,000 higher than the prior year. The increase in basic fees at the Woodruff Landfill and the convenient center sites have generated significant growth, though the convenience site revenues are behind budget by 3%. The budget estimated \$4.4 million in revenue, but receipts total \$1.9 million. That said, 29% of revenues in the Solid Waste Fund are transfers of property taxes from the General Fund, which indicates that even with the fee increases, receipts on fees are not sufficient to cover the operating costs of the Transylvania County Landfill.

Expenditures in the Solid Waste Fund are significantly under budget, with lower-than-expected costs across most categories, except for the project to replace and expand the scale operation at the Woodruff Landfill which has cost approximately \$527,591.

Self-Insurance Fund

The County pays Blue Cross Blue Shield directly for health insurance claims filed on behalf of County employees and their families under the self-insurance model. Medical and pharmaceutical claims paid represent over 70% of the annual budget for the County's self-insurance plan. Rather than report on all of the ins and outs of this major component of the County's finances, this report sticks to the most important variable cost – the medical/pharmaceutical claims that are paid out weekly to BCBS.

Compared to the first two quarters of the last fiscal year, the County is experiencing a 17% increase in employee health costs, primarily related to COVID-19 hospitalizations. The bulk of these costs was incurred by the County in November and December. Before that, the first four months of the year saw a decrease overall. The staff intends to bring forward a proposal to use ARPA resources to cover some of this particular need at a future date.

Capital Project and Special Revenue Funds

Fiscal year-to-date expenses from other accounts:

- Education Project Fund

- County has spent only \$106,000 for reimbursements to Transylvania County Schools for the bond
- Water and Sewer Project Fund
 - \$170,000 expenses to being the expansion project
- Disaster Response (CARES Act/ARPA)
 - No ARPA resources spent yet
- 911 Fund (The Emergency Telephones System)
 - \$38,000
- Narcotics Task Force Fund
 - Joint City-County Law Enforcement agreement
 - \$580
- Fines & Forfeitures
 - Monies remitted from the Clerk of Court to Transylvania County Schools with funds passing through the County, but not through the General Fund
 - \$44,000 to benefit students and citizens

Mr. Griffin added that future reports will include an extra department to separate revenues and costs for the new License Plate Agency. He also expected changes to EMS revenues and expenses related to Medicaid Transformation which will require the Board to approve some budget amendments.

At the request of Commissioner Guice, staff will provide the Board with hard copies of Mr. Griffin's report.

MANAGER'S REPORT

The Manager reported the following:

- Transylvania County has submitted its application for the next stage of the Golden Leaf Foundation Community Based Grants Initiative funding cycle. Applications will be considered in April.
- Tag Office has been operational for two weeks and is going well; the trainers from the State were very impressed with our staff and organization
- Update on Adult Day
 - Some clients are being transported to the Henderson County location
 - Investigated whether the County funds (\$170,000 annually) can be used out of the county and found that is not eligible
 - Land of Sky Area Aging is working with the County and Mountain Care on how we can use the county funds to leverage other programs like in-home services
 - County funds can be used to reimburse for services provided, but not revenue replacement or capital
 - HCA indicated a lease agreement is being negotiated
 - Staff confirmed there are no other available sites that meet the requirements for serving as an adult day program, according to Mountain Care
 - County could invest more funds if interested in taking over the program, but the staff does not recommend it at this time
- Congratulations to Dr. Laura Leatherwood for being named the 2022 President of the Year by the State Board of Community Colleges for North Carolina. She was selected from among 58 community colleges in the North Carolina system. Dr. Leatherwood is very deserving of this award and recognition, and we are grateful for her service to Transylvania and Henderson Counties.
- Kudos to Lisa Moss and the housekeeping team. They worked with our floor contractor to get the jail floors sparkling clean and did a great job!

- County Manager has been invited to be a panelist for the Investing in Rural America Conference by the Federal Reserve of Richmond to speak on investments in early education. She was appreciative of the Commissioners' support of early education because it is key to securing our future workforce and economy.

PUBLIC COMMENT

The comments made by the public represent the individual speaker's opinion or point of view. The Clerk to the Board did not attempt to vet their statements for accuracy or modify them based on facts.;

Emmett Casciato: Mr. Casciato supported Sheriff Mahoney's comments on a step program based on his background as a teacher in Florida. He was unsure how it might be implemented per department due to how varied they are, but he felt it was important to implement it to benefit employees.

COMMISSIONERS' COMMENTS

Commissioner Guice asked staff to determine what the cost could be for the County to assume the responsibility of operating an adult day program. He said while Commissioners are supportive of programs for children, they are equally concerned about the health and welfare of seniors in the community and the challenges they are facing. He was not advocating for the County to take it over at this time, but he wanted to know the cost of doing so because it is a need.

Commissioner McCall felt it was a tragic situation for the lease to expire for the adult day program. She did not understand why HCA could not keep the program in operation while they negotiated a new lease. She commented that we should be caring for our seniors just as we are making efforts to care for our children. She said the adult day program has been a gift to the community for many years and instead of negotiating a lease, HCA should be doing what is necessary to ensure the program continues. She stressed that she was not advocating for the County to take it over because we do not have the capacity, but this is an important service that needs to be continued.

Vice-Chairman Dalton shared that he recently received email correspondence and read articles bragging about HCA which have not been the experience of most Transylvanians over the last few years. In his job as an insurance agent, he continues to see the demise of quality healthcare in this community, including the loss of long-time physicians. He was unsure about the solution to the issue, but he remained concerned.

Vice-Chairman Dalton moved to enter into closed session per N.C.G.S. § 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged and per N.C.G.S. § 143-318.11 (a) (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, following a 10-minute recess, seconded by Commissioner Guice and unanimously approved.

CLOSED SESSION

Per N.C.G.S. § 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged and per N.C.G.S. § 143-318.11 (a) (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, a closed session was entered into at 7:30 p.m. Present were Vice-Chairman Dalton, Commissioners Chapman, Guice and

McCall, County Manager Jaime Laughter, County Attorney Julie Hooten (participating via Zoom meeting software), and Clerk to the Board Trisha Hogan.

The Board of Commissioners consulted with the County Attorney on a privileged matter. The Board also received an update on a potential expansion of business/industry.

Commissioner Guice moved to leave the closed session, seconded by Commissioner McCall, and unanimously approved.

OPEN SESSION

Commissioner McCall moved to seal the minutes of the closed session until such time that opening the minutes does not frustrate the purpose of the closed session, seconded by Commissioner Guice, and unanimously approved.

ADJOURNMENT

There being no further business to come before the Board, **Commissioner moved to adjourn the meeting at 7:59 p.m., seconded by Commissioner McCall and unanimously approved.**

Jason R. Chappell, Chairman
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board