

Unsealed by the Board of Commissioners on 02/12/2024.

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
July 26, 2021 – CLOSED SESSION

Per North Carolina General Statute § 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, closed session was entered into at 8:30 p.m. Present were Chairman Chappell, Commissioners Chapman, Dalton, Guice and McCall, County Manager Jaime Laughter, County Attorneys Bill Bulfer and Natalia Isenberg, Deputy Clerk to the Board Kate Hayes, and Finance Director Jonathan Griffin.

The Manager and County Attorney addressed the Board about emerging trends across the State regarding court awards in various lawsuit cases. Many of the services and functions that counties provide in the course of business are prone to litigation and there is a trend of escalating court awards that exceed liability insurance coverage limits .

There is a fear that large settlements could result in over-taxation of citizens for the sole purpose of paying settlements over time. The Local Government Commission has the authority to take over a local government's finances if it is not fulfilling its financial and liability obligations and then tax citizens at a level to meet those obligations. The County Attorney advised that he did not expect any meaningful tort reform until a verdict really makes a significant and hurtful impact to a local government. Staff sought direction from the Board about potentially increasing the County's liability coverage but at an amount that is reasonable and allows the County to continue operating local government at current service levels.

The County's current liability coverage is for \$2 million per occurrence. By raising the coverage to \$6 million per occurrence, the budgetary impact would be \$38,000 annually. Staff advised pursuing the additional coverage in light of latest trends.

Following discussion, the Board instructed staff to seek additional information from the NCACC Risk Pool on the coverage details and the cost of insuring at various levels. The Manager will forward the information she receives to the Board for consideration at their next regular meeting in August.

Chairman Chappell moved to leave closed session, seconded by Commissioner Dalton and unanimously approved.

Jason R. Chappell, Chairman
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board