MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
April 15, 2020 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in regular session on Wednesday, April 15, 2020 at 4:00 p.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC. The meeting was rescheduled from Monday, April 13, 2020 due to countywide power outages from the weekend storm.

Commissioners present were Jason Chappell, David Guice, Chairman Mike Hawkins, and Vice-Chairwoman Page Lemel. Commissioner Will Cathey was absent. Also present were County Manager Jaime Laughter and Budget Management Analyst/Deputy Clerk Allen McNeill. Clerk to the Board Trisha Hogan was absent due to a family medical issue. The County Attorney participated remotely.

Media: The Transylvania Times – Derek McKissock participated remotely

There were three people in the audience.

CALL TO ORDER

Chairman Mike Hawkins presiding declared a quorum was present and called the meeting to order at 4:03 p.m.

WELCOME

Chairman Hawkins welcomed everyone to the meeting. He noted the format of the meeting has been modified to practice social distancing to prevent the spread of the COVID-19 virus. He introduced Commissioners and staff in attendance.

PUBLIC COMMENT

The comments made by the public represent the individual speaker’s opinion or point of view. No attempt was made to vet their statements for accuracy or modify them based on facts.

These are summaries of written comments submitted by citizens prior to the meeting.

Micky Robinson: Mr. Robinson proposed an idea to further protect the community from the spread of COVID-19. He proposed the County purchase two handwashing stations for public use. He intended to ask the City of Brevard to donate one as well. Mr. Robinson suggested locations for the handwashing stations and was open to suggestions as well. He wanted to assist to the community with being as safe and proactive as possible.

Carole Deddy: Ms. Deddy shared her thoughts on how Transylvania County might institute some best practices for preventing the spread of COVID-19. For those with second homes, summer homes and vacation lodging, if traveling from outside of North Carolina, they must upon arrival quarantine in place for 14 days before entering the community and have a support plan for getting essentials. Shoppers may not enter a store without a facemask. All employees must wear a facemask. All employers must supply employees with sanitizer.
AGENDA MODIFICATIONS

Staff requested to add a Resolution Recognizing National Public Health Week in Transylvania County.

Commissioner Lemel moved to approve the agenda as modified, seconded by Commissioner Guice and unanimously approved.

CONSENT AGENDA

Commissioner Lemel moved to approve the Consent Agenda, seconded by Commissioner Chappell, and unanimously approved.

The following items were approved:

MINUTES
The Board of Commissioners held regular meetings on July 9, 2019, March 9, 2020, and March 23, 2020. The minutes were approved as submitted.

PROCLAMATION – OLDER AMERICANS MONTH 2020
Each year the Council on Aging requests that the Board of Commissioners approve a proclamation declaring May as Older Americans Month to recognize the many contributions of our senior citizens. The Older Americans Month theme for 2020 is Make Your Mark which promotes independence, inclusion, and participation, engages older adults through education, recreation, and service, and seeks to connect people with opportunities to share their time, experience, and talents. Commissioners approved Proclamation #11-2020 Older Americans Month 2020.

Proclamation #11-2020
Older Americans Month 2020

Whereas, Transylvania County includes a growing number of older Americans who make countless contributions to our community every day; and

Whereas, Transylvania County is stronger when people of all ages, abilities, and backgrounds are included and encouraged to make their mark; and

Whereas, Transylvania County recognizes the importance of the physical, mental, social, and emotional well-being of its citizens; and

Whereas, Transylvania County can support our community members by:

• promoting independence, inclusion, and participation;
• engaging older adults through education, recreation, and service; and
• connecting people with opportunities to share their time, experience, and talents.

Now, therefore, the Board of Commissioners of Transylvania County does hereby proclaim May 2020 to be Older Americans Month and urges every resident to recognize older adults and the people who support them as essential members of our community.

Dated this 15th day of April, 2020.

S: //Mike Hawkins, Chair
Transylvania County Board of Commissioners
Following approval of the Consent Agenda, the Manager brought it to the Board’s attention that members of the public trying to access the meeting via the conference call line and Facebook Live were unable to see or hear the meeting. The Board discussed taking a short recess to allow staff time to correct the technical difficulties.

Commissioner Lemel moved to suspend the meeting for five minutes to correct the technical difficulties preventing the public from accessing the Facebook Live stream and conference call-in number, seconded by Commissioner Guice, and unanimously approved.

CORONAVIRUS/COVID-19

CORONAVIRUS/COVID-19 UPDATE – PUBLIC HEALTH
Health Director Elaine Russell provided an update on the Public Health component of the COVID-19 pandemic.

A Briefing
- Remains an evolving pandemic
- Recommendations, executive orders, and resources are evolving in response to state and national data

COVID-19 Lab-Confirmed Case Data
- 2,006,513 cases globally in 185 of 195 countries
- 601,472 cases in the United States
- 5,123 cases in North Carolina in 93 counties
- 6 cases in Transylvania County

Transylvania Data and Process
- Testing through State Public Health Lab, LabCorp, Mission Hospital
  - 106 negatives
  - 6 positives
  - 1 pending
- Agency processes
  - Daily Epi Team
    - Planning
    - Data analysis
    - Communication strategies
  - County EOC Team
  - LTCF/ECF Team
  - Hotline Team
  - Hospital communications

COVID-19 and Long-Term Care Facilities/Elder Care Facilities
- Greatest risk of severe illness for:
  - 65+ years of age
  - Group living facilities (long-term care, elder care/nursing homes, corrections)
  - Existing health issues:
    - Chronic lung disease, moderate to severe asthma
    - Heart disease with complications
    - Immunocompromised, including cancer treatment
    - Severe obesity, uncontrolled diabetes, renal failure, liver disease
• Transylvania group living facilities:
  o 2 long-term care
  o 4 elder care
• Statewide group living outbreaks (2+ lab-confirmed cases)
  o 46 facilities in 28 counties

Support to LTCF/ECF
• Dedicated LTCF/ECF Agency Team
• Collaboration with the Physicians Roundtable via Dr. Rik Emaus and Dr. Timothy Shea
• Daily outreach to assess needs
• Sharing best practices/lessons learned from other counties
• Strike plan for facility testing when needed
• PPE assessment

Emergency Needs Response
• Collaboration on options for homeless residents with The Haven and Pisgah Health Foundation
  o Private camp offered quarantine/isolation support
  o Pisgah Health Foundation provided funding - $61,000
  o Assessing other needs related to handwashing stations (County on waiting list for 4-week rental)
• Staffing COVID-19 agency hotline
  o 130+ calls to-date
  o Emotional/mental health needs a major trend

Communications
• Daily updates to website (transylvaniahealth.org) and social media
• Daily updates to County and City employees
• Daily updates to Board of Health
• Summary guidance to partners on Governor’s Executive Orders
• Summary guidance to partners on NCDHHS and CDC recommendations
• Video updates and topic demonstrations
• Media interviews and updates on request

How We Flattened the Curve
• Community support of social distancing
• Community support of limited gatherings
• Community support of minimized business exposures
• Use of face coverings
• Adherence to self-isolation for individuals with confirmed or suspected exposure
• Staying home when sick
• Good handwashing and cough-covering

Benefits of Flattening the Curve
• Buy time to prepare hospital systems for critically ill patient surge
• Potential to break surge into smaller waves with less likelihood to overwhelm systems
• Gain time for advances in testing technology for infection and recovery assessment
• Opportunity to gain lessons learned from hot spots
• Every community will face a surge of some level; extra time and insight makes for better preparation

04/15/2020
Ms. Russell wrapped up her presentation by saying she was appreciative of the support from the Board of Commissioners, County Manager and department leaders in the EOC for doing what is necessary to flatten the curve and best position Transylvania County to move forward in this very critical and complex time.

Chairman Hawkins called for comments and questions from the Board.

Commissioner Chappell inquired about the status of the six confirmed cases in Transylvania County. Ms. Russell informed the Board that the six confirmed cases have all recovered. As the number grows, monitoring them will become a critical part of the contact tracing to understand the course of the disease.

Commissioner Guice spoke to the importance of providing positive information to improve public morale. He was concerned about the mental health of the community.

Chairman Hawkins asked for confirmation that Transylvania Regional Hospital is not currently treating any residents for COVID-19. Ms. Russell confirmed.

Chairman Hawkins asked Ms. Russell if she had a sense about whether the community was inside, near or past the peak of the COVID-19 pandemic. Ms. Russell cited varying epidemiological models from national level researchers who have posed peaks between the end of April and the middle to end of June. In terms of statewide trends, WNC has emerged slower; however, some of our neighboring counties have had a higher number due to spread in long-term care facilities, rather than community spread. She suspected a slow rise to a surge if social distancing practices are maintained. Ms. Russell was unsure how realistic it is for society to maintain these limitations long-term. If every restriction were relaxed or removed, she expected we would see an immediate surge. However, if there is a thoughtful protracted balance over the next several months between public health and the economy, it could be navigated.

Chairman Hawkins asked Ms. Russell if it is possible to expect a surge sometime in the next four to six weeks. Ms. Russell believes if all restrictions remain in place as they are currently, the surge would be less significant than if all restrictions were lifted. According to the models, the surge would come within four to six weeks.

Commissioner Guice spoke to the importance of allowing businesses to become operational again because the economic impacts of continuing to restrict business operations could be detrimental to the community’s economy in the long term. He felt it was equally important to do what is necessary to continue flattening the curve. He was concerned about the mixed signals coming down from the national and state levels. Commissioner Guice was appreciative of the local leadership for addressing the spread of the virus and for keeping everyone as safe as possible.

Commissioner Chappell asked Ms. Russell to provide some information on testing in the community and how those are being conducted. His understanding was that testing was only being conducted if someone is hospitalized. Ms. Russell explained that if an individual is hospitalized at Transylvania Regional Hospital and they present COVID-19 symptoms, they are tested. Local healthcare workers who were concerned about possible exposure have been tested. Urgent care and some private practices are conducting testing as well.

Commissioner Guice asked if the long-term care facilities have requested testing for their staff and residents. Ms. Russell stated two healthcare workers from a long-term care facility were tested because of a concern about potential exposure. The long-term care and elder-care facilities are being very proactive. No residents in those facilities have been tested. They have been very compliant with lockdown and isolation procedures to curtail this event.
Commissioner Chappell stressed that regardless of the actions of our citizens and the restrictive measures in place, Transylvania County will experience a surge. The restrictions, however, should limit the significance of the surge and allow local medical facilities time to respond to the influx. Ms. Russell confirmed his statements.

Chairman Hawkins thanked staff for all their efforts and for performing exemplary work throughout this pandemic.

CORONAVIRUS/COVID-19 UPDATE – COUNTY OPERATIONS
The Manager provided an update on the County operations component of the COVID-19 response.

**County Operations**
- Most County services are essential under Governor’s orders
  - Mandates for County services at State level continue
- County buildings closed to the public traffic
  - Providing service via phone, computer or by appointment to limit access and potential for spread
  - County employees practicing social distancing measures
  - Some departments are staggering schedules
  - Evaluating feasibility of telework if necessary, at some juncture
  - Distributing PPE for use
- New Adventure deemed by State as an essential-worker child-care facility
- Starting to plan for surge in County service needs in coming months of economic recovery
- State and federal advocacy ongoing
  - New restrictions announced from Pisgah National Forest, Dupont State Recreational Forest, and Gorges State Park
  - Stabilizing local budgets
- Working on testing availability for first responders and healthcare workers so they can return to work faster if they test negative
- Seeing an increase in calls for law enforcement, particularly domestic violence type calls
- Sheriff’s office is enforcing the order regarding short-term rentals
  - All investigations have resulted in no violation of the order
  - Appears all are following the order
- Supply issues being addressed at State and local levels
  - State using priority list for resources fulfillment; issuing supplies for seven-day burn rate
  - Long-term care facilities can access State submittal link that tracks back through County Emergency Management to request PPE
  - All rescue agencies received 10 full sets of PPE
  - Working with local makers to get cloth masks in hands of frontline workers; local makers have produced 100’s of masks (Connestee Quilters, DAR/Billie Wilson, citizen volunteers)
  - Working with Land of Sky Regional Council on a group order of masks
  - Raybow/PharmAgra donating masks
  - Gaia Herbs donating 50 gallons of hand sanitizer
  - Egolf and Pisgah Health Foundation donated funds
- Working with nonprofits on ways to connect people with needs and services
  - Launching temporary call-in line hosted by the Library to take contact information and identify basic needs for nonprofit response
  - Cooperative Extension filling role of Emergency Management food coordination per State Emergency Management request
Intent is to connect people to resources and prevent duplication of effort

- Working with TRH CEO Michele Pilon on surge planning
  - How to maximize space at hospital site and alternate site with staffing resources from hospital
  - Tents, isolation procedures for COVID patients, PPE, scrub laundering, restricting access, healthcare pay protection programs
  - Gauging what TRH is seeing in the community through the utilization of telehealth
- Public Health prevention work with congregate living facilities is a key strategy for prevention
- Information from State and TRH indicates flattening the curve efforts are working because projections are lower than expected; will continue to work toward preparedness efforts

Chairman Hawkins called for comments and questions from Commissioners.

Commissioner Guice referenced the increase in the number of domestic violence calls. He was concerned about data released this week indicating alcohol sales are up 56% during this period. He was unsure why alcohol sales remain an essential service because it exacerbates the stress and other issues families are facing. Commissioner Guice asked the Board to be mindful of the COVID-19 effects on mental health and substance abuse. He wanted to ensure County government could be responsive to those needs.

Chairman Hawkins inquired about preparations for the surge capacity. He wanted the public to understand the complexity of what local leaders are facing during this unprecedented time and how the County is doing what is necessary to be prepared for an unknown situation. The Manager stated that capacity will be based on the number of beds and the availability of staffing to serve patients. Current operations allow for 10 additional beds based on the modeling.

Chairman Hawkins inquired about measures the Public Safety Facility is taking to protect staff and inmates. The Manager informed the Board that the Sheriff has implemented procedures to quarantine new occupants in the jail and he acquired PPE for his staff. He has implemented multiple procedures to prevent the virus from coming into the facility, as well as the spread of the virus to other inmates. While it is a high-risk facility because it is like a long-term care facility, COVID-19 has not presented itself in the Public Safety Facility. Should COVID-19 occur in the jail, staff has been working with Public Health on testing protocols.

Discussion concluded.

CORONAVIRUS/COVID-19 UPDATE – BUSINESS SUPPORT

Josh Hallingse, Executive Director of the Transylvania Economic Alliance presented information on how the organization is supporting local business. The Alliance has partnered with the Heart of Brevard, Transylvania County Tourism Development Authority, Blue Ridge Community College Small Business Center, and Brevard/Transylvania Chamber of Commerce to provide support for local businesses.

Essential businesses in the community are contributing actively to how the nation is responding to COVID-19. In addition, the regional Workforce Development Board, as well as economists, are working to understand how COVID-19 is impacting the workforce and local economy. Over the last 30 days there has been a drastic change in occupational demands because of the pandemic. It is expected there will be an impact to our business community due to closures of businesses in the current climate. The Alliance is now trying to understand and forecast the impact to the local economy from COVID-19 and predict what the business community will look like over the next five years, as well as how the Alliance’s economic development efforts can move the community forward.
The Alliance and its partners are coordinating outreach efforts to the various business sectors. These are some highlights on how businesses are responding:

- **Immediate response**
  - Strategic shutdowns or selling assets to preserve and generate cash
  - Communicating with customers
  - Communicating with lenders
  - Applying for programs
  - Pivoting to provide services and goods to address public health needs (Gaia Herbs-making sanitizer, for example)
  - Incorporating compliance with physical distancing guidelines

- **Essential business operations**
  - Understanding varying local policies
  - Health monitoring to employees before and after shifts
  - Using face masks during shifts to reduce unintended spread
  - Increasing sanitation/cleaning of facilities
  - Work from home/telecommunication
  - Segmenting into solo work or smaller teams
  - Reduce contact points with vendors and the public
  - Identifying potential hotspots of potential spread within facilities and eliminating those

Mr. Hallingse shared some items that the County should be aware of based on their communication with partners and local businesses:

- Some local businesses have been deemed essential
  - TVS and Gaia Herbs remain operational
  - Some sectors continue to hire for security guards, nurses, production support for manufacturing, cashiers, bank tellers

- Essential businesses able to continue operations could be aided by improved testing resources to help reduce uncertainty about the condition of an employee or team

- Supply opportunities for large and small businesses
  - Military Business Center helps connect small businesses with federal contracting opportunities
  - SupplyConnector.org; local entrepreneurs created a supply of online web resources to connect businesses with supply chain opportunities

- Telecommunication has become increasingly important for remote work; access to internet and broadband is critical

- Information/survey data has been valuable to the local organizations and is helping prioritize town hall information and resources

- Seasonality may be an issue for some sectors; consider policy to help private sector weather the slow months following a diminished profitable season this year

Mr. Hallingse reported that Buncombe County initiated a stay-at-home order earlier than the State. Joined with the public policy to slow the spread, they also launched the One Buncombe loan pool program to serve as an emergency bridge loan for local businesses. Other communities and organizations created loan programs as well. Each program is different and may focus on different types of businesses or scale of businesses. The common theme is that each program leverages Mountain Biz Works, a community development and financial institution (CDFI), that lends to businesses in the region that may have a higher risk tolerance.
Mr. Hallingse announced the creation of a similar program, the Transylvania Tomorrow initiative. A local task force launched a business resource page to house information on webinars, financial loan programs, public health, and executive orders. The task force hosted a town hall webinar in early April where professionals and other experts answered questions about various federal and State programs and has a second town hall webinar scheduled for tomorrow. They are also moving forward with a small business emergency relief fund. The private sector contributed $26,000, along with a $5,000 donation from Comporium. The program is seeking contributions for emergency relief grants to provide up to $3,000 to help small businesses pay basic expenses during the forced shutdown. Eligible businesses must employ less than 50, operate in Transylvania County, and demonstrate a loss due to COVID-19. The program prefers that businesses seeking financial relief to have been in operation for more than 12 months, have a physical location in Transylvania County, be in good standing with taxes and appropriate licensing, and be independently owned.

Mr. Hallingse concluded his presentation. There were no comments or questions from Commissioners.

IMPACT OF COVID-19 ON THE FY 21 BUDGET PREPARATIONS
Staff updated the Board on the potential and actual financial impacts of the COVID-19 public health emergency.

The Manager first showed two examples of Board agendas comparing the same time last year to now. Last year, the Board was very much in budget preparation mode. This year has been dominated by COVID-19 emergency planning. This fact helps set the tone to discuss FY 21 budget preparations.

Typically, departments submit their budget requests in February, and they complied with the deadline. A normal process would have committed March and April to meetings with individual departments to understand the details of their requests. In April, staff would be meeting with Commissioners individually to evaluate the budget requests. Staff would also be working to prioritize expenditures and project revenues to finalize a recommended budget. However, in the current environment, revenues have become a moving target for both the current year’s budget and next year’s budget. Staff has been challenged with presenting a balanced budget to the Board. Additionally, staff must assess departmental needs differently than in years’ past because of the revenue losses.

Finance Director Jonathan Griffin presented further specifics about the revenue challenges.

North Carolina Sales and Use Taxes
Sales and use taxes are a major source of revenue for Transylvania County. The most recent audit report showed sales and use taxes as being 15-16% of the total budget. Sales and use tax collections will be impacted by shutdowns and closures implemented to limit the spread of COVID-19, but many of the goods and services considered essential during the crisis are those subject to sales and use taxes. For example, grocery, hardware and general retail stores continue to operate and, combined, they accounted for 58% of taxable sales in 2019. The chart below is a breakdown from the NC League of Municipalities on the different sources of sales taxes.
It is important to note that there is a significant lag time in sales tax collections and distributions, so staff will not be able to ascertain the true impact on FY 2020 until at least September 2020. The four-month life cycle of a sales tax levy is illustrated in the graphic below.

When staff builds a budget, they make assumptions about what the future will look like. Sales tax assumptions are critical. By the time the County receives all the sales tax revenues for the year, the fiscal year budget will have expired.

Using 2019’s annual sales tax collections as a conservative baseline (the County’s collections were approaching 9.5% over FY 2019 in FY 2020), Mr. Griffin calculated the scenarios below. The percentages for each scenario reflect the change from the baseline for the prior year. For reference, he noted that the moderate and severe scenarios are more in line with what was expected in the last recession. However, current circumstances are more unique. The extreme and very extreme scenarios are based on what he is hearing from peer counties and their expectations. Mr. Griffin disclosed that prior to the pandemic, the County was experiencing very strong sales tax revenues. They were nearly 10% over the prior year. In the worst-case scenario, the County should expect to lose approximately $800,000 which equates to ¾ cent on the tax rate. If the closures and lower consumer spending levels continue through the end of the year, the County could be impacted by up to $1.4 million, which is the tax rate equivalent of 2.24 cents.
A professor from North Carolina State University published a study about what would happen if the sales tax remittances remained low throughout the rest of the year. The good news is Transylvania County can survive lower sales tax revenues in the current year, but if they remain low, the County would be considered borderline distressed as defined by the Treasurer’s Office. The study results assume that the County would spend its fund balance. The County currently uses fund balance to assign to specific activities and projects, so it assumes the County would tap into its savings for operational expenses. It would impact the amount of money received for the bond because the study considers cash flow on hand and not the nuances impacting it. When sales tax revenues are lost, the only other revenue a local government controls are property tax. With that said, Transylvania County is very sensitive to the fact that many of our citizens are unemployed or strapped for income due to the shutdowns. It will be critical to understand the County’s financial position and ensure the infrastructure is available to respond to the public if another shutdown occurs later. County government is essential which means the services cannot simply be eliminated. The services that can be eliminated are those that the public typically would not want removed, such as the Library and Parks and Recreation.

Sales of Services by Departments
The provision of services in exchange for fees is a core function of several departments, and staff anticipates the following departments are losing revenues:

- **Parks and Recreation** estimates about $7,500 in revenues lost over the period of closures; approximately $2,000 a week.
  - If the County must refund summer camps and the adult basketball league, this dip will be more severe.
  - The Senior Games program has received significantly lower revenue with the loss of the annual March barbeque fundraiser and smaller number of participants. Funding loss equates to approximately $4,000.
If closures extend into late June/early July, the adult basketball leagues and summer camps will be impacted. In the best-case scenario, this is $8,000 of lost revenue. In the worst-case, it would be $14,000 of lost revenue.

- The Library is losing about $500 per week (about $1,500 so far) in normal Library operational fees and lost rentals of its facilities.
- The Register of Deeds is not currently reporting significant changes in revenues, mostly due to the utilization of online services and a switch to a curbside service business model.
- The Building Permitting and Enforcement Department operates on funds collected from permit fees. In the first week of March, it is estimated that they have experienced roughly a $1,000 decline in weekly revenues, though this may also be the result of seasonal changes in the housing market.

**Investment Returns**

The sweeping scope of the crisis and the interventions by the Federal Reserve System has had impacts on the financial markets. Generally, NC General Statute § 159-30(c) requires that a local government unit invest idle funds in the investment opportunities which carry the least risk, so the County’s investment returns are most sensitive to the basic interest rate risk. The effective compound yield of the County’s capital management trust portfolio fell from 1.45% to 0.49% between the beginning of March and the end of March.

The accrued interest on the NCCMT portfolio totaled $45,146 for the month of February. In March, the accrued interest was $31,396. Assuming interest rates do not recover through the end of June 2020, the County would lose approximately $41,000 over the course of the next three months of the fiscal year.

**Financial Impact**

- **Lost revenues:**
  - Between $216,000 and $881,000 in FY 2020
  - Sales tax impacts through the rest of the fiscal year could be as high as $1.3 million
- **Increased expenditures:**
  - As of this time, the Board of Commissioners has authorized $75,000 to be spent on response and $108,000 on capital projects to equip the Public Safety Facility

**Unknown (or Difficult to Assess) Impacts**

- Some counties have adjusted their anticipated tax collection rate
  - Average has been to lower it by 0.25%
  - Equivalent figure for Transylvania County on current levy of 0.636/$100 is $100,000
- The NC General Assembly is considering extending the deadlines for motor vehicle registrations (Tax and Tag Together)
  - Deadline extensions would delay collection and distribution of sales taxes levied on motor vehicles (current year averages about $160,000/month)
- The State could make changes to the Medicaid Hold Harmless sales tax distribution ($792,000 currently in FY 2020)
- With high unemployment, North Carolina will see reduced personal income tax collections; in the last recession, this led to certain expenses being passed along to local governments

The Manager stated that future discussions about the state of the County are going to be very challenging, but staff will do their best to present to the Board a balanced budget with the understanding that the money that comes into the County for use is from our citizens.

Chairman Hawkins called for comments and questions from Commissioners.
Commissioner Lemel commended staff for calculating the various scenarios. She inquired about the total shortfalls projected for the current year. Mr. Griffin reported that for FY 2020 the worst-case scenario is $800,000 to $900,000 below expectations. For FY 2021, the shortfall is projected to be $2.5 million at worst-case scenario.

Chairman Hawkins commented that although there are no fees being generated due to cancelled programs, there are no expenses being incurred either, but that it is probably negligible in this case. Mr. Griffin pointed out that the employees in these departments must be utilized elsewhere or risk being laid off. If they are laid off, the County would be responsible for paying out their leave time which would probably result in a breakeven point. He agreed the costs are negligible, but noted the personnel costs remain.

Commissioner Guice pointed out the County is facing an unknown situation, as is the rest of the nation. It is important to know what financial issues the County is facing and be able to evaluate them without panicking. He stressed the importance of continued planning, understanding the County can pause on certain projects. The County must be cautious and responsive without completely ceasing managing the future.

Commissioner Lemel agreed that this time provides the Board with an opportunity to be very intentional. She is very proud of the County’s accomplishments under the Manager’s leadership. She did not want the County to stop progressing or move backwards. She felt that it was critical to view any threat as a potential opportunity as well. She knows it will be hard, but she was confident the Board will be very intentional in their decisions and continue moving forward.

Commissioner Chappell noted there was some informal discussion with State officials regarding local government relief by extending the deadline to approve a budget past the June 30 date. He asked if there had been movement since the initial discussion. The Manager stated to her knowledge there has been no further movement. On a recent call with the NCACC they indicated they continue to push multiple deadline-related issues toward extended deadlines. Staff also learned from the NCACC there is potentially some assistance coming from the federal level for State and local governments and a fourth funding tranche.

Commissioner Lemel stated she was surprised to learn that only 16% of federal relief dollars was being made available to counties, while municipalities were set to receive 52%. The NCACC communicated they need counties to advocate to their respective delegation for a larger percentage. The Manager pointed out that nationwide some cities provides health and human services. However, in North Carolina this is a county government function. The NCACC has identified the differences among the states as one of the challenges with their advocacy at the federal level. She expects there to be strong advocacy efforts in the coming weeks to highlight those services and ensure dollars are getting to the county government level.

Commissioner Lemel shared that during a NCACC Board of Directors conference call yesterday, it was reemphasized that the State may keep sales tax revenues and not redistribute them back to the counties due to State budget concerns. This is another point to keep in mind for potential advocacy.

Commissioner Guice pointed out that regardless of whether the State keeps the sales tax, they could very well push other costs down to the local level. Historically, they have done this which is why the NCACC has worked so diligently over the years to stop costs from being pushed down to the local level. Counties must continue to meet statutory deadlines that pertain to passing a budget, and constantly pushing costs to the local level puts the counties in a bind financially.
ALLOCATION OF FUNDS FOR COVID-19 RESPONSE
At the previous two meetings, the Board took action that raised the Manager’s emergency line item spending limit to $50,000 and allocated $75,000 from Unassigned Fund Balance for use as a temporary fund for COVID-19 response. Commissioners intended to revisit the designation of funds at a future meeting.

The Manager gave a brief report on the financial response to COVID-19 thus far. Out of the $75,000 allocated as a temporary fund, there is $23,000 remaining. Most of the purchases have been supplies related to PPE requirements and planning for surge capacity. Staff continues to track overtime, but there has yet to be an incurred expense due to overtime pay being paid with existing budgeted funds.

The Manager also acknowledged the receipt of donations of both supplies, like face masks and shields, and funding. She recognized monetary donations from Egolf Motors ($2,900) and Pisgah Health Foundation ($6,250). She also recognized Raybow/PharmAgra and Gaia Herbs for their donation of supplies, as well as all those in the community donating and making masks to drop off at the Library for the mask drive. Donated supplies have included thousands of gloves, hundreds of cloth masks, N95 masks, face shields, tieback suits, etc. which are necessary for frontline workers. Transylvania County very much values these donations and will ensure they get into the right hands.

The Manager was pleased with the County’s financial response to the pandemic, but noted the issue is fluid and could change at any time. It is the Board’s discretion whether to allocate additional dollars. In any event, if staff were forced to spend the remaining funds, she would be requesting the Board convene a special meeting to allocate more dollars. Staff is currently building up supplies to prepare for a surge. They are making purchases quickly as they become available because of the supply chain concerns.

Commissioner Lemel would like to consider an allocation of $27,000 to add to the $23,000 to make an even $50,000 and she inquired about the use of contingency funds for this purpose. The Manager felt the dollar amount was reasonable and confirmed there are available funds in contingency. She noted that staff will bring forth a budget amendment at the future meeting to approve the contributions she reported.

Commissioner Lemel moved to reallocate $27,000 from contingency funds to the COVID-19 response fund, seconded by Commissioner Guice and unanimously approved.

FAMILIES FIRST CORONAVIRUS RESPONSE ACT POLICY COMPLIANCE
The federal government passed the Families First Coronavirus Response Act to go into effect April 1. Employers must be compliant by April 17. The Act contains provisions that allow for emergency sick leave and FMLA use for organizations with 500 employees or less. Most County employees would fall under the exemption as defined by the Department of Labor.

For the few employees qualifying for the provisions in the Act, the proposed policy extends the benefit of up to two weeks of emergency sick leave for a documented illness to expire December 31. Many employees who would classify as exempt under the Act are frontline employees responding during the pandemic and thus most likely to be exposed. First responders are being defined rather broadly by the Department of Labor probably because county government is essential and must continue to operate and cannot afford to lose its workforce.

While it is not a requirement, it would be in the County’s best interest to acknowledge the need for sick leave for all employees by extending this provision through local policy. All County employees are continuing to report to work and be faithful in the service to our citizens, thus potentially exposing themselves more often that the average citizen. Nonessential employees have been repurposed during this time to essential roles. The policy proposes extending two weeks of emergency sick leave to all
employees. It would mirror federal law in that it would expire December 31 and employees must provide documentation of illness.

The financial impact is unknown because sick leave would only be paid out in situations where an employee or family member was sick with the virus. The Finance Director stated that the total impact will not exceed $250,000 which is a generous estimate to ensure coverage if needed.

The Manager recommended approval of the Transylvania County Families First Coronavirus Act Policy and that the Board direct County Administration and Human Resources to administer it. The Manager shared that this Act came out very quickly and thus the Board and staff have not had the opportunity for extended discussion. Staff worked quickly with the County Attorney to ensure the policy was crafted to be fair to employees, as well as meet the spirit and intent of the federal law. She recognized Human Resources Director Sheila Cozart was in attendance to answer any questions.

Commissioner Chappell agreed that the policy should treat all employees equally. He mentioned the documentation that is required to activate the emergency sick leave and asked if documentation would also be required by employees to return to work at the end of the two weeks. He reported that Blue Ridge Community College is acting in a similar manner to ensure the employee is past the quarantine stage and not contagious. Mrs. Cozart indicated that to return to work, employees would have to provide documentation that they have recovered and are more than 72 hours without symptoms as per the CDC’s recommendation.

Commissioner Lemel commended County staff’s work on this policy. On the call with the NCACC yesterday, it was evident that several counties are unclear about how to tackle this issue and are concerned about the financial impact. The smaller-resourced counties are really struggling to understand the unintended consequences. She agreed that it is important to be fair to all employees, and specifically to recognize those on the frontline of this pandemic.

Commissioner Guice moved to approve the Transylvania County Families First Coronavirus Act Policy as written and to direct County Administration and Human Resources to administer, seconded by Commissioner Lemel. Chairman Hawkins asked how the $250,000 would be funded. The Manager informed the Board that those funds could be allocated from fund balance or contingency. She noted the policy covers two budget years so staff will likely put a budget amendment before the Board for FY 21 to earmark some funds, whether that be in a fund balance assignment or in the actual budget. The motion passed unanimously.

LATE LISTING PENALTY RELIEF
Several local businesses received an extension through April 15, 2020 to file their 2020 business personal property listing form. Many of these businesses have not returned a completed filing yet which is likely due to the COVID-19 impact.

NC General Statute § 105-312(h) requires a late listing penalty be imposed when personal property listing forms are untimely received by the Tax Administration office. NC General Statute § 105-312(k) grants authority to the Board to approve a taxpayer’s request for waiver of the penalty. The NC Department of Revenue has encouraged counties to consider a uniform application that would allow for a simple method for taxpayers to request relief of the late list penalty due to COVID-19 for the year 2020. The County Attorney also provided some advice reminding the County that the relief must come via written request, but in the proposal the Board could adopt a course of action to allow a simple method for taxpayers to request relief for a late listing penalty for untimely filing of personal property listing forms due to COVID-19 and essentially authorize the Tax Administration office to accept those requests and approve them upon receipt.

04/15/2020
Staff asked the Board to adopt a course of action to allow a simple method for taxpayers to request relief from a late listing penalty for untimely filing of 2020 business personal property listing forms due to COVID-19. If approved, Tax Administrator Jessica McCall has already created a memo to be posted on their website to have readily available for staff if a taxpayer requests an extension.

Chairman Hawkins began the conversation by referencing an example provide by Wake County and then recommended the Board adopt the same course of action. He read it aloud for the benefit of the public.

For taxpayers and preparers unable to timely file their 2020 county business personal property tax and individual personal property tax listings due to COVID-19 limitations, please submit a written request for waiver of the late listing penalty that will be applied to listings received after the established filing deadlines. Listings with previously approved extensions that are postmarked or received by July 31, 2020 should receive a favorable decision in response to requests for penalty waiver. Remember, a written request for relief must be submitted for consideration.

Commissioner Chappell proposed a modification that would allow email to be considered as the written request. Under the County Attorney’s advisement, email would keep the process simple.

Commissioner Guice was supportive of a method that would not penalize the business community in this challenging time. He agreed with allowing email as a method of making a written request.

Commissioner Lemel asked if extending the deadline to July 31 would affect the Tax Office’s ability to provide the Board with necessary budget information. Chairman Hawkins pointed out the reason the original deadline is February 28 is so the Tax Office can provide necessary figures, like tax base projections, to the Board of Commissioners with some idea of total tax base, etc. In this case, there are 80+ businesses, so the total impact, while significant, would not constrain them from providing the Board the appropriate data. If Commissioners are overly concerned, he suggested they consider a June 30 deadline, rather than July 31, to submit the form.

Commissioner Lemel moved to adjust the Wake County Tax Administration memo for the personal property tax listing extension with the modification of adding that email would suffice as a written request and the deadline for submission be set to June 30, seconded by Commissioner Guice and unanimously approved.

INFORMATIONAL LETTER TO SECOND HOMEOWNERS
Macon County recently mailed property owners a letter requesting them to remain in their primary residence if they own a second residence in Macon County due to their medical limitations and ability to respond to COVID-19. Chairman Hawkins drafted a letter for the Board’s consideration of a similar letter to second homeowners in Transylvania County.

- For Transylvania County:
  - Out of 16,138 tax bills – 3,475 go to out of state addresses; 65 parcels are exempt accounts
  - Out of the 12,598 NC addresses – 783 outside of Transylvania County; 175 are Henderson County (Transylvania County shares the postal city with Henderson County); and 292 are Sapphire addresses (Transylvania County shares this postal city with Jackson County)

Chairman Hawkins recommended the Board consider a draft letter asking second homeowners to remain in their primary residence, primarily because:
• Transylvania County does not want COVID-19 to expand beyond the capabilities of our resources
• Transylvania County’s permanent resident population is the oldest, by median, in NC
• Transylvania County is in the community spread phase of pandemic and trying to limit exposure

The direct financial impact of taking such action would be $2,184 for the cost of mailing to 4,258 out-of-state and out-of-county property owners. Similar action is being considered by other counties.

Chairman Hawkins pointed out Commissioners were provided a sample letter based on the Macon County letter as either a starting point or as a final document if Commissioners decide to move in this direction.

Commissioner Lemel felt it would be prudent to send a similar letter to those who own a second home in the County, considering the number of people who own a second property in the County and the fact that summer is approaching. She pointed out the letter simply asks second homeowners to have consideration and mindfulness.

Commissioner Hawkins then read the draft letter for the Board’s reference.

Dear Transylvania County property owner:

As the COVID-19 pandemic continues throughout our state and nation, please be assured Transylvania County is working diligently to reduce the spread of the virus among our residents.

Along with the stringent executive orders issued by Governor Roy Cooper, which we fully support, Transylvania County has also instituted prohibitions of non-essential use of our county’s lodging facilities. We have also requested and supported closure of the many public lands within our borders. For nearly a month now, our Tourism Development Authority has been actively marketing the message of “stay away,” and our business community has responded by limiting their operations and even restricting customer access to their facilities.

The purpose of these actions is simple – Transylvania County does not want COVID-19 to expand beyond the capabilities of our resources. Transylvania Regional Hospital has just 59 beds and currently maintains just 5 ventilators. With a permanent residency of over 35,000 citizens, you can well see our concerns over capacity.

While Transylvania County government is currently working to expand that capacity, we remain committed to doing everything we can to reduce the number of occurrences within our borders. Our task is magnified by the fact that Transylvania County’s permanent resident population is the oldest, by median, of any county in North Carolina. Older citizens, as you may know, are statistically more likely to have complications from COVID-19.

You need to know that Transylvania County is in the “community spread” phase of this pandemic. Simply stated, that means that the virus is here, and our citizens should exercise every caution while conducting their daily activities.

For these reasons we must actively recommend that, if your permanent residence is outside Transylvania County, you do NOT come to your Transylvania County second home for the remainder of this pandemic phase.
Since Transylvania County is experiencing community spread, it is a mistake to consider our county a refuge from the COVID-19 virus.

Moreover, because of our limited medical capacity, your arrival in the county would put yourself at a risk which might not be as pronounced as in your home communities with more abundant facilities. By adding to our capacity demands, your arrival would certainly pose potential additional risks to our resident population, which has no facility alternatives.

Thank you for considering our concerns. Please understand our advice is based on protecting the health of all Transylvania County citizens, whether you live here full time or part time.

Commissioner Chappell stated that he was in favor of sending the letter, but only if it is a recommendation, not a mandate, and that staff confirms all the content of the letter is accurate. He felt that others need to know there is community spread here which may not be known if they are not keeping up to date with Transylvania County news.

Commissioner Guice was concerned about the messaging and how others are going to react and interpret the letter. He was supportive of the letter, but he felt strongly that appropriate wording was important. He was equally concerned about the strain on local resources.

Chairman Hawkins asked if it is accurate to state that the County is in the community spread phase of the COVID-19 pandemic and that citizens should exercise every caution while conducting their daily activities. Ms. Russell confirmed the accuracy of his statement.

Chairman Hawkins stated that the part of the letter that is nebulous is asking second homeowners not to come here during the remainder of the pandemic phase. With that said, he viewed the letter as informational because people may come here to escape the virus in their hometown simply to learn that the virus is here in Transylvania County, too.

Commissioner Guice pointed out that folks living in communities with a high number of cases may view Transylvania County’s situation differently. Nonetheless, he remained supportive of the letter.

**Commissioner Chappell moved to approve the letter, seconded by Commissioner Guice.** Chairman Hawkins asked that before the letter is sent, staff verify the data that was referenced. **The motion was approved unanimously.**

**NEW BUSINESS**

**RESOLUTION RECOGNIZING NATIONAL PUBLIC HEALTH WEEK IN TRANSYLVANIA COUNTY**

During a phone conference on Thursday, Commissioner Lemel learned that it was National Public Health Week. During this pandemic, it is especially important to recognize all those in Public Health who are committed to the health and well-being of Transylvania County residents. Commissioners approved Resolution #12-2020 Recognizing National Public Health Week in Transylvania County.

**RESOLUTION #12-2020**

**Recognizing National Public Health Week in Transylvania County**

WHEREAS, public health is the practice of preventing disease and promoting good physical and mental health within groups of people, from small communities to entire countries; and
WHEREAS, Transylvania Public Health provides essential public health services to the residents and visitors of our County; and

WHEREAS, Transylvania Public Health educates and engages residents and community partners to promote lifelong healthy practices; and

WHEREAS, strong public health systems are critical to sustaining and improving community health; and

WHEREAS, Transylvania Public Health conducts our County’s public health system, which promotes physical and mental health through extensive and effective collaboration among a wide range of public and private sector partners; and

WHEREAS, Transylvania Public Health’s professionals and staff guide this system by helping our community promote and protect the health of residents and visitors daily, as well as during public health emergencies; and

WHEREAS, Transylvania Public Health is providing exemplary leadership and service during our nation’s current COVID-19 crisis, and in so doing is protecting the health and well-being of Transylvania County citizens; and

WHEREAS, Transylvania Public Health is committed to ensuring that our County’s families are healthy from the start, and its collaborative efforts with individuals, organizations, providers, and policy makers will help our County’s next generation become the healthiest in our history;

NOW, THEREFORE, the Transylvania County Board of Commissioners does hereby recognize April 6-12, 2020, as NATIONAL PUBLIC HEALTH WEEK in TRANSYLVANIA COUNTY, and calls this observance to the attention of all our citizens.

This the 15th day of April, 2020.

S: // Mike Hawkins, Chair
Transylvania County Board of Commissioners

MANAGER’S REPORT
The Manager reported the following:

- April 6-12 National Public Health Week; thanks to Health Director Elaine Russell and her team for all their work for the community
- April 12-18 National Public Safety Telecommunicators Week; this is another department the organization and citizens rely on during the COVID response as they screen calls to send staff out in the community to serve the public and ensure they are protected with PPE
- Clerk to the Board Trisha Hogan was sworn in on March 26 as the Vice-President of the NC County Clerks Association
- Transylvania County ranks low in Census 2020 response; 79th in the State at 36.4% of self-reporting; the lower response rate impacts the amount of federal tax dollars coming back to the community to serve our citizens; COVID-19 is impacting responses, but staff is working on messaging efforts through social media, community centers, advisory boards, and reminder emails; Planning and Community Development created fliers that were sent out with the school feeding program information; restaurants are including fliers with takeout orders; fliers are posted at essential locations; implored Commissioners to reach out to all they know and ask people to
respond to the Census; encouraged everyone to fill out the online response to avoid in-person contact

- Sunday storm response
  - In 24 hours, the County 911 Center managed 394 responses from Law Enforcement, Emergency Management, EMS, Fire, Rescue and Animal Services. In addition, 911 center staff answered 518 administrative phone calls.
  - Issues included: trees down with electrical wires involved, trees down on structures, trees and power lines blocking roads, persons entrapped in a car with power line involvement, flooding, vehicles stranded in flood water, motor vehicle accidents, animal rescue from flooding (horses), flooding requiring evacuation, and requests for shelter
  - Staff responded to loss of power, generator, and communications capabilities at the Rich Mountain Tower during the event which required coordination with Emergency Management, Maintenance, Solid Waste staff, and NCDOT to clear a path to reach the tower site.
  - Staff opened a temporary shelter at the Recreation Center to house displaced residents

- Update from Duke Energy (this morning)
  - Rich Mountain is the largest remaining trouble spot and was a main area of focus this morning with 1,900 customers without power in the County, down from 8,152 on Monday
  - Over 538 field personnel supporting restoration efforts in Transylvania and Henderson Counties; Duke Energy expects most of the customers to be restored by midnight tonight.
  - In Transylvania County, 147 outage events left to repair and restore; around 50% of those are single customer events.

Commissioner Chappell inquired about the participation rate for the 2010 Census. The Manager estimated the participation rate to be around 70%. At this same time during the 2010 Census, Transylvania County had a 53% response rate, so there remains much work to be done to up the response. She reminded the public not to forget counting children under the age of 5 and encouraged others to assist the elderly with completing the forms.

Commissioner Guice asked how those living in nursing homes are being counted. The Manager stated if a person is living permanently in a congregate setting, then they would be counted under the congregate living count. There is also a method for counting those in our community who may be homeless and not have a permanent address.

PUBLIC COMMENT

There were no comments from the public.

COMMISSIONERS’ COMMENTS

Commissioner Lemel was appreciative of the Public Health Department’s dedication and hard work. She was also appreciative to our citizens who are exercising caution and making sacrifices to keep the COVID-19 cases low.

Commissioner Chappell shared that Mayor Harris thanks Transylvania County on behalf of the City of Brevard for the use of Commissioners Chambers for their upcoming meeting which will give them the ability to broadcast their meeting to the citizens of Brevard.

Commissioner Chappell stated there has been a lot of discussion about when businesses would fully reopen and economic impact of the shutdowns. In a recent forum setting, a local economist and health
professional indicated businesses could fully reopen now, but there could be the potential of future shutdowns. They stated the issue is about being able to open and remain open.

Commissioner Guice thanked citizens for managing this crisis extremely well. He also acknowledged all those who have gone out of their way to serve the community in various ways. He also communicated great respect for the members of the Board of Commissioners and their efforts to be good listeners and analyze the difficult situation the County is facing.

Chairman Hawkins moved to enter into closed session per NC General Statute 143-318.11 (a) (5) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, following a five minute recess, seconded by Commissioner Lemel and unanimously carried.

CLOSED SESSION

Per NC General Statute 143-318.11 (a) (5) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, closed session was entered into at 7:40 p.m. Present were Chairman Hawkins, Commissioners Cathey, Chappell, Guice, and Lemel, County Manager Jaime Laughter and Budget & Management Analyst/Deputy Clerk Allen McNeill.

The Manager updated the Board of Commissioners on negotiating efforts for the potential purchase of real property. The Board of Commissioners directed staff on how to proceed.

Chairman Hawkins moved to leave closed session, seconded by Commissioner Lemel, and unanimously carried.

OPEN SESSION

Chairman Hawkins moved to seal the minutes of the closed session until such time that unsealing the minutes does not frustrate the purpose of the closed session, seconded by Commissioner Lemel, and unanimously approved.

ADJOURNMENT

There being no further business to come before the Board, Chairman Hawkins moved to adjourn the meeting at 7:03 p.m., seconded by Commissioner Lemel and unanimously approved.

________________________________________
Mike Hawkins, Chair
Transylvania County Board of Commissioners

ATTEST:

________________________________________
Trisha M. Hogan, Clerk to the Board

04/15/2020