

CASWELL COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

May 12, 2023
OTHERS PRESENT

John Dickerson, Chair
Ethel Gwynn
Finch Holt
Rick McVey
Frank Rose

Bryan Miller, County Manager
Melissa Williamson, Deputy County Manager
Aisha Gwynn, Assistant County Manager
Jennifer Hammock, Finance Director
Melissa Miller, Deputy Finance Director

The Board of Commissioners for the County of Caswell, North Carolina, met in a budget work session on Friday, May 12, 2023 at 9:00 am at the Gunn Memorial Library.

WELCOME:

Chairman Dickerson called the meeting to order, and turned it over to the County Manager.

BUDGET WORK SESSION:

County Manager Miller said Commissioners, this is the fourth budget session we've had. We went through most departments. We still have two more; this one and one more to go to get through this phase. So today we have several departments that are here to speak with you.

PLANNING DEPARTMENT:

County Manager Miller said we'll start out with the Planning Department. So we have our Planning Director here, Matthew Hoagland. He'll make his way to the table. So by now I think everybody knows kind of the format of the of the sheets. To begin with you have the Planning Department summary. You see permits and fees and expenditures. Then on page two you have Planning Department revenues, and it's just a more in-depth breakdown of what you saw on page one. Chairman Dickerson said just a curiosity question. What are the shooting range fees? What does it cost for a citizen to go down there and shoot? County Manager Miller said so the fees we charge are fees to review the shooting range for compliance with our ordinance. The fees associated with the shooting ranges, we oversee private shooting ranges like Distinguished Pistol. Matthew could probably name off a couple others, but we oversee the regulatory aspect of them being there or the compliance. So Matthew has to go out once a year to make sure the signs are up like they should be, make sure that they're shooting in the right direction, the mounds are the way they're supposed to be, and so on and so forth. I'm sure you can talk more in depth on that if you would like. Matthew Hoagland said no, I mean that perfectly sums it up. Most of the review is at the beginning stages when someone establishes an outdoor shooting range. Firm height is very important obviously for catching any ammunition and things of that nature. Distinguished Pistol's by far the most active range that we have in the county. So for example when Flint developed the new shotgun range that was just a new feature, and we had to make sure to get the new feature complied with the ordinance. Really outside of that is just an annual kind of a checklist to make sure that everything still looks good and it complies with site plan

May 12, 2023

requirements after they have established their shooting range. Commissioner Holt asked where is that? Mr. Hoagland said it's down on Newcastle Farm Road off of 119 South of the Hightower Store Road. it's an incredible facility.

Commissioner Gwynn said I'm new. What's that Farm Preservation app? Mr. Hoagland said yes ma'am. So if somebody wants to enroll their property as a Preservation Farm district, that's a voluntary program that the county offers that gives them a little bit of protection from a neighboring development mostly in the form of disclosures. If a neighboring property wants to subsidize their property, then basically there's a process where they become aware that there is a neighboring farm preservation property. The fee their increases from \$10 to \$50 on the proposed fee schedule. It's really just a matter of the increased cost of manufacturing the sign. Farm Bureau for years had defrayed the cost for the county, but that money eventually was all used up. The most recent round of purchases for those signs that we purchased were about \$125 a piece, and Travis can attest to that as well. Thankfully they've gone back down to I think about \$35 a piece now, but I have applied for a new grant to hopefully help defray some of that future costs. But that's really just to cover the cost of the sign and of the application costs.

County Manager Miller said so turn to page three, and you see Planning Department expenditures. Chairman Dickerson said that's quite a jump in the full-time salaries. It's 32%. What's the details behind that expenditure? County Manager Miller said so last year when Planning, Environmental Health, and Building Inspections merged together to become Central Permitting, the oversight of that department was through Donnie Powell. Donnie Powell's salary is divided into three different sections, and there's part in the Building Inspections, part in Environmental Health, and part in Planning. That change was not made last year but is reflected in in the salaries for Planning, Building Inspections, and Environmental Health this year. So that's why it looks like more than the 6.5% that the department heads were instructed to put in their fee schedules or their budgets, but it's really just the change in the department. Chairman Dickerson said so that portion of his salary is just reallocating the way you're accounting on the paperwork. What portion of this \$20,000 increase is reflecting any raises that the staff will be getting? County Manager Miller said 6.5%. The Commissioner asked what else would you have suggested? County Manager Mille said well the actual raise portion is 6.5%, but because you're adding for Planning it's actually 20% of Donnie Powell's salary to be paid out of Planning. It reflects at a higher percentage. Chairman Dickerson asked does it decrease from the other avenue? Before it was all in another pot of money. County Manager Miller said before it was all being paid out of the Health Department. So now it's that same salary just split up into three different departments. Chairman Dickerson said is that reduction shown in the Health Department? County Manager Miller said yes. 40% of the salary is still being paid from the Health Department, 40% from Building Inspections, and 20% from Planning. Chairman Dickerson asked what was the State's increase in their salaries? What kind of raise did they give to their people? I saw that mentioned or heard that mentioned that the State went up. So how are we in comparison what everybody else is asking for as these budgets come across? What did the

May 12, 2023

State give their people? County Manager Miller said I'm not sure. Chairman Dickerson said that would be some information that I'd really like to know. Travis Hoesli said Bryan, I think currently a budget process discussion on State raises for State employees is 7.5%. Commissioner Holt said that's what I saw on the news. Mr. Hoesli said that's currently in the House. The Governor's budget hasn't passed yet. The House legislation has it at 7%. County Manager Miller said okay. Someone else said I think it's 3.5% this first year, and County Manager Miller said okay. Commissioner Rose said is there anyone here. Mr. Hoagland said I'm basically the entire department. County Manager Miller asked are there any other questions about Planning or the Planning Department budget or fee schedule? Then Mr. Miller said thank you, Matthew.

COOPERATIVE EXTENSION:

County Manager Miller said we'll move on to Extension Services or Cooperative Extension. Travis Hoesli, Director for Cooperative Extension came up and said Good Morning Commissioners. County Manager Miller said so page four is a summary for Cooperative Extension. Chairman Dickerson asked what is other services? Mr. Hoesli said that's all of the travel substance for all the program areas. County Manager Miller said it's dues and subscriptions, rental fees, Cooperative Extension 4-H programs, and AG programming. Commissioner Gwynn said the salaries, how many people does that include? Mr. Hoesli said we have eight employees in Extension services. Of that eight, we have one that's a full county employee that's paid from the county system and then we have our crop agent is 100%. Then everybody else's on percentages with the State. Right now, we are about 68% county funded on our side. A Commissioner asked what percentage? Mr. Hoesli said it's 68%. It went up a little bit the last couple years because the county has given a little bit more than the state has been in the raises and percentages. So it's changed a little bit. Commissioner Rose asked if they were full staffed and Mr. Hoesli said yes. County Manager Miller said page 5 is a breakdown of the expenditures. Are there any other questions about Extension? If not, thank you Travis. We appreciate you being here.

CASWELL SOIL AND WATER:

County Manager Miller said we'll move over to page six, Caswell Soil and Water District summary. Turn over to page seven, you see... A Commissioner said looking at the salaries, how many people? County Manager said who? Then the Finance Director said 4. The Commissioner said thank you. County Manager Miller said on page seven you see the Caswell Soil and Water District revenues, and page eight you see expenditures. Are there any questions about the Soil and Water District? If not, we will move on.

ECONOMIC DEVELOPMENT-ADMIN:

County Manager Miller said we're going to Economic Development Admin summary. Commissioner Gwynn said that salary is for how many employees? County Manager Miller said that salary is for three employees. Chairman Dickerson said that currently, you have how many working? How many of those positions are filled? County Manager Miller said two.

May 12, 2023

Commissioner Rose said the Economic Developer is not. County Manager Miller said that's correct. You'll turn to page 10, and you'll see a breakdown of the admin expenditures. Commissioner Holt asked what's the contractual services? County Manager Miller said contractual services would be copiers, equipment leases, creative Economic Development contract, and I'm not sure what other contracts are included in there. Chairman Dickerson said you know a lot of times we go through these figures, and they all start you know running together. But the question that pops in my mind on this one is in 2022 it was \$17,000 in 2023 it went to \$20,000? What was the reason it was raised? Do you remember why \$3,000 was added to the budget? My reason for asking that is just because they were given that one time it may have been a one-time expenditure. Do we really need to leave it at \$20,000 going forward? County Manager Miller said I do not remember why it was raised \$3,000 in 2020, but I would imagine it was creative Economic Development, the contractual services with them to monitor some of the stuff that that we have occurring. Chairman Dickerson asked can you find me out the details on that before we get through that? County Manager Miller said sure.

Commissioner Holt said it's a lot of travel. They're doing a lot of traveling. County Manager Miller said they're actually not doing any traveling. They don't travel at all if we had an Economic Developer. Currently that's the minuscule budget to the travel that they should actually be doing. You're looking at overnight stays. You're looking at multiple events per year, attending multiple Economic Development events per year, recruiting sessions, and so on and so forth. The \$10,000 that's in training and travel for economic development just for an Economic Developer is minimal at best. I mean you see the overall budget is \$212,000 for Economic Development compared to the Economic Development budget in Rockingham, which I think is close to \$3.3 million. It's a big difference, and I plan to talk to the Board a little bit about that moving forward or maybe Monday. I know we have an Economic Development item on the agenda for Monday. So I may talk about that a little bit on Monday.

ECONOMIC DEVELOPMENT-COSQUARE:

County Manager Miller said so moving on to Economic Development CoSquare. Page 11 is the summary, and page 12, that's broken down a little bit. Commissioner Rose said the lady that works up there, is her stuff included in this? County Manager Miller said no. Commissioner Rose said where would her stuff be? County Manager Miller said in Economic Development-Admin, the one that we just went through. The two employees that I spoke about that's where it would be. One of those is full time and one is part time.

Chairman Dickerson said the CoSquare member's fee, elaborate on that. County Manager Miller said so we charge \$50 per month for a co-working membership and \$150 for a desk membership. So if you want a desk in an office with the door you can lock, it's \$150 a month. If you simply want a membership to be able to connect to the Wi-Fi and sit out in the lobby area, then the membership fee is \$50. With both memberships, you get access to the conference room. Chairman Dickerson said so I guess that \$60,000 figure in the next column is just in the wrong place. That ought to be down next to CoSquare rental fees. County Manager Miller said no, it

May 12, 2023

should be in membership fees because those are... Yes, you're right. In 2022 the \$60,000 should be in membership fees. Commissioner Rose said so the membership fee does that 60 need to come down to the rental fee or the rental fee needs to go up? County Manager Miller said rental fees need to go up. Those two numbers are probably transposed: the \$60,000 and the \$7,200 on fiscal year 2022 budget.

Commissioner Holt said now that we're getting high speed internet, do you plan on losing a lot of people? County Manager Miller said I know we'll lose some, but I don't think we're going to lose a lot. A lot of people that use that space use it because it's not home. For a lot of people, it's hard to work from home. If you have young kids and there's always distractions at home. It's more difficult to work from home anytime than it is to have a dedicated working space. So I think you're right. I think we'll lose some, and we've already started to see that. We have begun discussions about how we go about rebranding, renaming, repurposing, or whatever we need to do to keep those revenues where they need to be. Commissioner Gwynn said I know the Arts Council is there full time. County Manager Miller said that's correct. Commissioner Gwynn said do you have many others that are there full time? County Manager Miller said the Arts Council and the Chamber is there full-time, and we have several other businesses. I can't tell you the name of them right off the top of my head, but we have several other businesses that work there pretty much full-time. There's somebody there at a desk or sitting at a desk full-time.

Commissioner Gwynn said what's the fee for a one time around? Say if I need to go there for one afternoon, what would it be? County Manager Miller said so I can't tell you right off the top of my head what a rental fee would be one time. Commissioner Gwynn said okay. County Manager Miller said I know that they've got that schedule. If you wanted to go and use a conference room for instance, what I found is most times it's as cost effective just to buy a one-month membership, which is \$50, and that gives you three, four, or five hours of conference room time that you can use. So it's usually more cost effective just to buy a month's membership, and that's month to month. So if there are no other questions on Economic Development CoSquare, we'll move on to Solid Waste.

SOLID WASTE:

County Manager Miller said we have our Solid Waste Director A.J. Fuqua with us. You see a Solid Waste summary on page 14. Commissioner Rose said well off the top of my head, I'm going to ask you about the salaries \$147,715 to \$207,028. Mr. Fuqua asked to have the question repeated. Commissioner Rose said I was asking about the salary increase from \$147,715 to \$207,028. Solid Waste Director Fuqua said I'm requesting the Board to add a position to our staff, and that's in that salary. Commissioner Rose said full-time or part-time? Mr. Fuqua said full-time. Chairman Dickerson said in that \$59,000 what will that salary entail and what portion of that \$59,000 is increases in the current employees' salaries? Mr. Fuqua said so that salary entails \$32,000 baseline for the Scale House Operator and an administrative assistant. That money was moved out of maintenance and other things, so I can get my guys out to do more

maintenance on the convenience sites. That entails a 20% increase on our salaries. County Manager Miller said so if you'll see the expenditures total for Solid Waste are pretty much flat. I think you see a \$401 decrease overall in his overall expenditure budget. He's recalculated a lot of his budget lines to be able to pay for that full-time position. So no increase in the budget. Commissioner Rose said you have two full-times and how many par times? Mr. Fuqua said that's correct. I have about two that works. There's several on the list and may work four hours a month. So you might as well just say two, and we take care of nine locations as well as the Solid Waste ordinance in the county. So far this year I have issued 18 violations, and I have two working cases where I'm trying to catch people at home right now. County Manager Miller said the Sheriff's Office really works well with solid Waste to make sure some of these cases are enforced and taken care of. So we'd like to thank the Sheriff's Office for their input in the Solid Waste. Mr. Fuqua said anytime I need assistance to make a house call, they will go with me. We're open six days a week. There's somebody on call seven days because some of the convenient sites are open seven days a week. My fee schedule is in the back. The only fee that changed is the tire disposal fee. I apologize I must have left my copy of my fee schedule on my desk. The only thing that is different is the tires. The tires went up from \$75 a ton to \$85 a ton due to the increase the hauler charges me to get rid of scrap tires. County Manager Miller said and for comparison, Rockingham County it's \$225 and up. Mr. Fuqua said and if you bring farm tires, it's \$700 a ton. If we just do \$85 a ton for whatever tire it is, the only difference is if it's on a rim we charge \$5 for the rim because it cost me more to get rid of it. But everything else is the same. If you'll look at the second page of your fee schedule, there's a few other services. I did add some spill stuff because we're having a problem with some people that are putting stuff into compactor and we have to clean it up. So I didn't put that in there so they could be charged if we need to clean up, needed to clean a spill on the side of the highway up, or assist with that, we can get our materials we use back through our fee schedule.

Commissioner Rose said go back to page 18. This is just a question. Go down to travel and training expenses for employees. In 2023, the adopted was \$18,001, and the request for this year is a thousand. What was this? What was the difference? I mean what was that? Mr. Fuqua said I'm trying to find what page 18 is. Commissioner Rose said it's going to be on the same as the scrap tire. Mr. Fuqua said okay. So it was a scrap Tire Conference where we went to. So okay I understand. So that \$18,000 that should be a thousand. The rest of that money goes into scrap tire disposal because you can see it's \$20,000 this year. The rest of that money goes there. It should be \$20,000 across the board. So that is a typo because it cost. Chairman Dickerson said I'm a little confused here. The scrap tire disposal was \$20,000 and a \$16,000 fee added a 400% increase. You got \$17,000 taken off the training and expenses. Does that mean that that \$17,000 is not going to be reflected as true savings in your overall budget? Mr. Fuqua said I know sir. In 2024 I moved it to where it should be at \$20,000. So it still is a savings. The 24 budget is correct. Scrap tire disposal should be \$20,000 and training and expenses should be \$1,000. So the 24 is right, and the 23 is just a typo. Chairman Dickerson said okay let me ask you another way.

May 12, 2023

Would that \$11,050 savings be erased by that \$17,000 being removed off your total? Mr. Fuqua said no sir because it's going to move down to scrap tire, and it wouldn't be a \$16,000 increase there. County Manager Miller said that's right. So it may move to like \$10,050 because of the thousand dollar difference between 17 and 16, but you're still going to see a ten thousand dollar savings in scrap tire expenditures. Mr. Fuqua apologized for not catching the typo. Chairman Dickerson said one more question. Flipping back, I guess this would be on page 15, and you're going to have to help me out here because with all these different columns I may be getting the different expenditures confused. I know that back during the COVID situation, we had to allocate a whole lot more money because the hauls for Solid Waste went up, and it was a considerable amount of money that had to be put into it. Have the hauling fees decreased because of decreased volume of trash since then? Mr. Fuqua said no sir. Our trash volume has increased. So we're increasing the landfill where we charge, but since COVID and now the Board has gone up on the availability fee to \$113. So the availability fee was not \$113 when we had to have the COVID money. So that reflects that because the availability fee went up. Chairman Dickerson asked what line or where is that one at over here. Mr. Fuqua said is under other taxes: Solid Waste Availability Fees. County Manager Miller said so it's 15. It's the first line on page 15. Mr. Fuqua said so it's the same as last year.

County Manager Mille said so Commissioners, we jumped around a little bit in the Solid Waste budget, is there any page or any item that you want to go over in more detail? All right. Thank you AJ. Mr. Fuqua thanked the Board for their time.

PUBLIC HEALTH:

County Manager Miller said moving on to Public Health. We have our Public Health Director Jennifer Eastwood with us. Commissioner Rose said one thing real quick. Page 16 contractual services, but found what he was looking for regarding contractual services.

County Manager Miller said so page 21 is Public Health/Environmental Health summary. Commissioner Gwynn said I noticed the salaries are 9.2%. First of all, how many employees are there? Mrs. Eastwood said there are 40 employees in this budget. About 73% of my budget is personnel. So a 6.5% increase causes that to go up. I did not add any new positions, but I did add some salary increases above 6.5% for a couple of positions. We're having a really hard time recruiting an Environmental Health Program Specialist, which is not uncommon in the state right now. There's a shortage of Environmental Health staff. So thank you all for allowing us to add that sign on bonus with that ARPA money. That is going to help, but we really need to get that salary up a little bit. Once we do that, I don't feel like it's right to pay a new person coming in more than our director is making, which is Matt Maness. He's been with us for about 11 or 12 years. So I would like to bump his salary up as well. Then the other increase is for our medical office assistants, who are currently right now only making the minimum, which is \$30,000. Our people at the front desk make \$32,400, and I think they should make the same thing. So I'd like to increase their salaries. Then the other is just reclassification. All of our positions, we use job descriptions from State Office of Human Resources, and from time to time if a person's job

May 12, 2023

duties change, we can reclassify them as another position. So I have one staff member that I'd like to reclassify into an Accounting Tech II position because she is taking on more of the CAP billing, and that would give her a 5% increase.

Chairman Dickerson asked how many unfilled positions do you currently have in your department? Health Director Eastwood said we have two Environmental Health positions posted. It is not our intention to hire both of those at this time. We're just trying to get an Environmental Health person. We would prefer to have a qualified person who's already authorized so that we don't have to invest a lot of training, and they can go in and do our food and lodging program, which is restaurant inspections, hotel inspections, and that kind of thing. If we can't fill it with that we'd like to fill it with just an Environmental Health Specialist that we have to train. So I have two positions posted there with the intention of only hiring one at this time. I have a Health Educator position, and that is for our preparedness program which is mandated under General Statute that we have to provide Public Health preparedness. So I have a Public Health Educator position. We are interviewing for that position. I have a medical office assistant position open, and I have a processing assistant position at the front desk open right now. I think that's it because we just hired a nurse.

County Manager Miller said so if you turn to page 22. Chairman Dickerson said hold on one second. Maintenance and repair went up 30%. Could you kind of hit the highlights on these ones that had tripped into double digits. Supplies, I've heard people say over and over again how that one has went up, but could you elaborate on the maintenance and repair, the other services, and capital outlay. They all went up 20 to 30%. Mrs. Eastwood said sure. So maintenance and repair has gone up, and that's just for...hold on. The maintenance and repair has gone up some just because there's some maintenance that needs to be done on the facility. Only 15% of that increase is County appropriation and 82% of that is State money. But it has gone up just because it's time for us to do some repair to our facility. It's time that we have to make sure that our generator has maintenance. We have equipment that needs upgrades. So that's what's included in that, but that is 82% State funding. As far as contracted services, they have gone up a little bit as well, and that is because we are investigating changing electronic medical records to one that maybe is a little bit more customer friendly, offering a patient portal, and offering some online check-in option. Our providers aren't really happy with the one we've had for a while so we're investigating. That usually costs a little bit more on the front end than it does annually to maintain that. So I did add a little bit of extra in there. I also added in money because it's time to do our community health assessment. That position that does that is currently vacant, and I don't have the staff to do that. That's a huge process, and the community health assessment takes about a year to do. We really have to go out and gather information from the community. It takes a lot of time to develop that survey, to send it out, and to do the data entry. It's just a huge time commitment that we don't have the staff for right now. So I did put extra money as well into contracted services for that so we can get a consultant to do our community health assessment. To help us and lead us through that process. That line item, contracted services, is 58% State,

May 12, 2023

and 25% of that is from the county. Chairman Dickerson said I appreciate that explanation on that one, but what I was more looking in line with was the ones that were double digits like the next one down. The supplies had a \$39,000 increase. Mrs. Eastwood asked medical supplies? Chairman Dickerson said supplies and EXP. County Manager Miller said supplies an Exp. consists of postage supplies, pharmaceutical medical supplies, and in general other supplies. Chairman Dickerson said wow \$39,000. Mrs. Eastwood said so the biggest increase is small tools and equipment. That's a 45% increase. That particular line item is because we have immunization money that we get for COVID. It's specifically for COVID immunization, and there's a lot of things we can't use that for. If we look at that particular line item, 60% of that is State funded and 25% is County. But that would be where we would use that money to buy new computers. It's time for our clinics staff to upgrade to new computers, and any supplies that we need as far as refrigeration, signage, and things like that that we can use that immunization money for. We have COVID money that was ARPA, and so it's got an extension. So it will roll over into the next fiscal year, and it's really specific what we can spend it for. Where we can spend it for salaries, we're trying to, but COVID vaccine rates have really dropped to the point that there's really not a lot of staff time in that. So we've tried to expense that out where we can and equipment is somewhere that we can use that. So supplies and equipment, if we look at that like our office supply line item, 97% of that comes from the State money, and there's no County money in that. Medical supplies 43% is from the State, and most of the rest of that is from insurance and some direct fees in the clinic. There's only 5% of County funding in medical supplies. Program supplies, there's 35% County money in that, and that is because some of our health education programs like the minority diabetes prevention program only get like \$9,000 from the State. It takes a little bit more to do that. We use all of that money pretty much for salary to run that program for the Lifestyle Coach. So County puts a little bit of money in that for program supplies. Our other health education program and some of our peer management programs, the county money in that particular program supply line item is for supplies other medical is what it is on your sheet. It's just to put a little bit of minimal funding in there to provide things that they need to provide those programs to the residents. Those will be things like sales, or buying nutrition cards, or things like that. Commissioner Holt said he got loss with COVID money. Chairman Dickerson said it sounds like there's a lot of shuffled reallocation of other expenses into that line to jump that figure way up. Commissioner Holt asked where did the COVID money go? Mrs. Eastwood said they COVID money didn't go back. The COVID money would be the revenue to cover those expenses. Commissioner Holt said so if you're doing that then we're paying. We're going up. Mrs. Eastwood said by the county appropriation. Chairman Dickerson said 25% of it is County funded if I'm understanding my notes from what you just told us. Right? Mrs. Eastwood said right. Chairman Dickerson said so that is 25% county money of that. Mrs. Eastwood said sure of that total. The rest of it is State or from our other sources of revenue. I'm sorry I didn't mean to talk in circles. So you said it very well. That is the bottom line that we have state money that we can spend, and we have placed in those line items. That's caused the jump. Chairman Dickerson said the bottom line is that this item is going up \$39,585.

May 12, 2023

25% of that is going to be an increase to the county, and 75% of that is coming from other fund sources. Mrs. Eastwood said yes. Chairman Dickerson said I don't want to tie us up here a long period of time, but please elaborate on the other services and capital outlay that went up \$17,000 and \$25,000 or so respectively. Mrs. Eastwood said other services, is that professional services? County Manager Miller said other services is advertising and dues and subscriptions. Mrs. Eastwood said so Capital Outlay is 100% State funded, and that is more of that money that we can only spend for certain things. We can use it do some projects in our building like putting down new floor and building out the driveway that we've been talking about for a little bit and haven't done it yet, but capital outlay is 100% State funded. Chairman Dickerson said thank you, ma'am. When you said state funded, that way that was good enough. Let's switch to the other one right here. Mrs. Eastwood said the other one. Okay, so when we look at dues and subscriptions that 63% State funding. That is for things like our Microsoft Office subscription, our subscriptions to our EMR (electronic medical record), and Environmental Health also has a medical electronic documentation system. We also have a subscription to ESRI, which is a GIS system that Environmental Health uses. Then we're subscribed to a couple of professional organizations that we have dues to which is the North Carolina Association of Local Health Departments, and we have a fee for that. Chairman Dickerson said overall where was the big increase from that? I mean you're talking about different subscriptions and that and the other, but where did the bulk of that \$17,000 increase come from? Is there's any one item in there, or any two items in there that really bring it up to that level? Mrs. Eastwood said no, and again like I said with it being 63% State it's just likely to be more of what we're talking about with having State money that we've got to put somewhere. We are working on it, and it's our year for accreditation. So that's also a fee that goes up a little bit, and part of that is strategic planning. So that increases just a little bit, but the attention is to use State and Regional money for that not County money.

Commissioner Rose asked did you say that you still had son COVID money left? Mrs. Eastwood said we do. Commissioner Rose said what are you able to use that for now that COVID is over? My other question is, what I've read and heard, you don't have to continue to keep numbers on COVID anymore. Mrs. Eastwood said we don't. As of yesterday, it is no longer a communicable disease. Commissioner Rose said so what can you use that COVID money for now that COVID is gone? Mrs. Eastwood said so you know we get our money in different little pots, and every little pot of money comes with a contract that tells us what we can spend it for. So when we look at our COVID money, the bulk of what we have for that is in the vaccination program. We're not going to be able to spend all of that for vaccinations. Number one, I mean I think we're going to have to start purchasing our vaccine instead of getting it free from the State, but even at that, we're giving one or two a week. We just don't have those rates. So when we go to the State and say what can we spend this money for, some of it's going into salaries and benefits, some of it's going into some program supplies that we talked about earlier, and the rest of it is going into capital outlay because we can use some of it to upgrade our immunization room and we can use

some of it for equipment like signs and things that we may need during the next Public Health Emergency. So that's how we're trying to spend it. Commissioner Rose asked how much of that COVID money do you still have? Mrs. Eastwood said so in immunization, where we may have more than this because we haven't really spent a lot or as much of it, and this will roll over. I budgeted in \$98,000 of vaccine money. The other money that we have that I did not budget in yet because we don't know if we're getting it or if it's rolling over, but it was specifically to work with the school system. We got two pots of money for that. One was to provide a school health liaison, and so that covers the salary of one of our staff members plus buys some stuff. The other was for school workforce, and we use that to help cover two of the nurses. We would pass that money through to the school system to cover two nurses at the other schools that didn't have school nurses. We're not sure if we're getting that money back, but I think we may be looking at another 50 to 60 thousand that we may get next year for that. I did not budget that in because I don't know that we're going to have it. Then the rest of the money that we got is in ARPA pandemic recovery, and we are going to have in that program about \$160,000. The good thing about that money is that it is not as strict. We can use that for some other things. We've tried to put salary in as best we can use it and then use part of that as capital outlay as well. Then regionally we're going to be getting money that'll roll over. You all just approved a budget amendment for that money. I think it's \$460,000. What we don't spend will roll over to next year. That's what we are planning on using for the increases in a lot of those equipment cost you were talking about.

Chairman Dickerson said that was my next question. When we approved salary increases for this department prior to this, what was the amount that was allocated for that? County Manager Miller said 90% of the minimum or 7% whichever was greater. Commissioner Holt said is the minimum a Statewide average? County Manager Miller said no. Commissioner Holt asked what's the minimum? County Manager Miller said the minimum was what the salary consultants came back with for every position that we had. They looked at I think 10 different counties surrounding us. They also looked at 10 different counties. Some surrounding us and some like us. They looked at where we were losing people and the salaries at those places. They made a recommendation to the Board on which counties they want to use, emailed the Board, and the Board had the opportunity to make any changes to those counties if they wanted to. I think they ended up using the counties they recommended.

Mrs. Eastwood said keep in mind as far as revenues go, that during the pandemic Medicaid gave everyone a 40% increase on fees, and that is no longer the case. So when we look at revenues going down a little bit, that's part of why. For several years now, we've had that cushion that we no longer have.

Chairman Dickerson said how about supplies and motor fuel that's up 186%. I noticed the other departments didn't have a dramatic increase like that, and we were told it was like an overall average of gas prices. They go up; they go down. They pretty much were in line with what they already had, but I see this one has almost a \$25,000 increase. Mrs. Eastwood said so there's a

May 12, 2023

couple of reasons for that. One is that Environmental Health was drastically under budget. They are extremely busy and it cost us which cost more gas. So we actually increased that line item some for that. Then secondly, we are investigating a medical mobile unit. We haven't purchased it yet. We're thinking about using some of that ARPA money from this year's budget to do that. That would mean we would need an increase in fuel for that. This is a spreader van basically that we would need increased fuel for that, and that would be when we go out to a community to give immunizations. Normally we could possibly do examinations in communities. We could set it up to do health education, and to do events. Obviously if we don't purchase that we won't use that.

Chairman Dickerson said advertising 63%? Mrs. Eastwood said so advertising for a lot of different programs, some of that State money. 55% of that is State money, 22% of it is County money, and other sources, but that is for advertising jobs and our services. You asked about some of the things we can use COVID money for. They have really encouraged us to do these campaigns, billboards, and things like that. Commissioner Rose said those are the line items that the State put money into. It's not reflected in one of ours. I guess what I'm saying is like the \$13,550. You got the whole amount but that's not actually what the County would be contributing. Mrs. Eastwood said yes. That's the total, but the county is only contributed 22% of that. Commissioner Rose said of that \$13,550, and Mrs. Eastwood said yes. Mrs. Eastwood said you'll notice there were some decreases in some other line items like training. There's Regional Workforce Development money for that so I didn't put it in the county budget because that goes through the Regional. So I decreased that. I decreased travel subsistence and mileage because again that's covered by that money. That doesn't come to us; so I didn't budget it. Commissioner Rose said I see printing and reproductions is down \$5,000. Mrs. Eastwood said we always keep money in printing for business cards, brochures, and things like that. Just looking at it over the last few years, we haven't used it. So we just try to make that more reflective of what we've actually spent. Commissioner Rose said capital outlay was for what? Mrs. Eastwood said the building. So things like flooring updating, bathrooms need to be updated, and things like that. That's all State money. We have talked about for a while and we've made a little bit of progress, but we would have to hire a structural engineer to do a circle drive so that patients could be dropped off at the front door. Those with CATS, as we get more into serving Medicare patients, or patients with disabilities they can be dropped off at the front door with like a circle drive with the overhang. Looking at the layout of our grounds, we're not sure that can happen. So it was recommended that we get a structural engineer or a civil engineer to look at that and map it out to see if that can happen. That's another thing we can use it for.

County Manager Miller asked are there any other questions for the health director? Health Director Eastwood said the changes in our fee schedule, do I need to go over that with you. A fee schedule was presented. Commissioner Rose said this is showing what you charged in comparison to Rockingham and Alamance. Mrs. Eastwood said that's how we set our fees. For Environmental Health, we look at surrounding counties and try to keep in line with them. For our clinic fees, we look at what Medicaid will reimburse us at, and then we also compare that to

surrounding counties. We had not increased our clinic fees for a long time. So it was time to increase those. Commissioner Rose said it looks like we are really low on a lot of them, and Mrs. Eastwood said we are. Chairman Dickerson asked why are we so much lower? There is a comparison with other counties, but across the board, it looks like we're not bringing in any revenue that we could to sustain the department comparatively with what our neighbors are doing. So when we look at fees, again we start with the Medicaid reimbursement rate, and we go from there looking at other counties. Some of them are not Primary Care Providers. Person County does not really do any clinical services. So they may have set a fee, but they don't actually provide service. Chairman Dickerson said let me take a stab in the dark. Maybe if I single it down on like one item, you can enlighten me a little better. I'm looking at an injection of some kind of acetate, 150 milligrams. All the other counties will get from \$85 to \$126 to do that, and we charge at 75 cents. Mrs. Eastwood said can you tell me the numbers beside it? Commissioner Rose said 75/J1050. Mrs. Eastwood said there should be a serial number. Chairman Dickerson said the first column is 74 J1050 injection medroxyprogesterone acetate, 150 milligrams. 75 cents is in the first column, then it goes to \$85 for the next county, \$126 for the next one, and \$72 for the next one. Commissioner Rose said it's on the third page about middle way down. The top of the page says hearing screening and you come about halfway. Mrs. Eastwood said that's how much we're allowed to charge. Commissioner Holt said it says recommended in the last column. Mrs. Eastwood said right. Commissioner Holt said the other three counties. Mrs. Eastwood said so that one is one of our birth control methods, and because we are a 340B Pharmacy, which means we can only charge a certain amount because we get medications through the 340B program. When you purchase medication through that, you can only charge a certain amount. With this being a birth control, do you want to charge but so much. You don't want to create a hardship for people to get family planning treatment. Chairman Dickerson said why is it such a heavy discrepancy between what the other counties charge and what we charge. Mrs. Eastwood said I think, if I had to guess, they may not be participating in that 340B program. Because this has a J in front of it, it tells me that that's what that is. It's got a modifier. You see that the one above it, there's two of them number 73 number 74, the other counties don't even offer that one. What I believe is because we purchased this 340B at such a discounted rate, you cannot charge but so much for it. I don't know, without knowing those other health departments, if they are providing it or not. I know they have to offer family planning, but I'm not sure if they're offering that through the 340B program. Commissioner Holt said he didn't know that was the birth control and Mrs. Eastwood said that's just the injection. That's not the actual medication. That's the injection fee. We don't offer this. It's in our fee schedule because it's in our electronic medical record, but we don't actually offer the pneumonia vaccine. It looks like there's only one county that is. Chairman Dickerson said Caswell County allow charge versus recommended charge, is there any way we can get our allowed charges up closer to the recommended level? Mrs. Eastwood said no because that's set by Medicaid. Commissioner Gwynn said could that just be for Medicaid patients only? Could the others be charged? Mrs. Eastwood said you can't. It's fraud to charge for different...Commissioner Holt said what does

May 12, 2023

these other counties know that we don't know? Obviously it's a huge difference. Mrs. Eastwood said I mean we can raise these more if you want to, but you're going to create a hardship for people to get them because if Medicaid is going to only allow them \$67 and we go up to 96, then the patient has to cover that. They're not so that's going to be increasing their write-offs and bad debt. Deputy County Manager Williamson asked are these other counties Tier one counties like we are? That makes a big difference. Mrs. Eastwood said like I said Person County does not offer primary care. I know Rockingham does. I don't think Alamance offers primary care, but I'm not sure.

Chairman Dickerson said Mrs. Eastwood during this whole process as we have gone through from the recommended amount of raises where we did 90% of what the average was around us with the other counties, we've always relied on what the other counties around us were doing. In this case, all the other counties around us are charging more for these services, and we're much lower. So we're putting a much heavier burden on the taxpayers to provide these services than the other counties are. So I'm just trying to follow the same standard with this as do everything else. I think those fees are on the low side. Mrs. Eastwood said I think there is a difference in our patients as well. We're talking about charging more to people who are uninsured or who are working poor. I mean we have a lot of patients who come to the Health Department because we offer a sliding fee scale based on their income. I mean we can't turn anyone away because of their failure to pay. So I think if you increase the rates, you're going to be hurting people who will not otherwise get health care because they can't afford it. If it comes down to charging them a \$20 copay or them eating, they're going to eat. So I think in this case you have to look at the clients that we're serving at the Health Department.

Commissioner Gwynn asked is it across the board Medicaid patients throughout the state that have paid the same thing. Mrs. Eastwood said yes. Medicaid has a floor, and that's the allowable charge. Now they put Caswell County, but that's the bottom line for Medicaid to charge. Some insurances reimburse you differently, but you can't set a fee for one person who has insurance that's different from another person that doesn't. It all has to be uniform and standardized or it's fraud otherwise. Commissioner Gwynn said is the Medicaid payment sort of in alignment with other insurances or it's lower? Mrs. Eastwood said it's lower. The difference is that Medicaid pays us in three different ways. The first way fee for services. Just what you're looking at. These are fees that we're allowed to charge for the services that we provide. The second way is that some of our programs have a per member per month, and those would be our Peer Management Programs. So we get paid per member per month for those programs. Then the third way is that once a year or now it's becoming quarterly, Medicaid settles upon us the difference between what it costs to provide the service and what we get reimbursed. That's called our call settlement, and in our budget the quarterly payments are called our utilization based payments. So that's a complicated thing. Part of what we get for Medicaid is the Federal share, and part of what we get is a State share. They settle upon us the difference in the Federal share. So we have budgeted that money in as well. So when you're looking at Medicaid in the budget as a revenue source, it's just

fee for service. Then you will also see cost settlement and AUB payments, which is the utilization based payments.

Chairman Dickerson said let me ask a question. Before it gets around to the time where we start to decide on the expenditures I would like to know that if Caswell raised these allowable charges as close as we can to the recommended level, how much would that save the county taxpayers? I noticed also that across the board the recommended is nowhere close to what Person, Rockingham, or Alamance is charging in most of the same situations. So I still feel like we're much lower, and it's not reflecting the actual cost of health care going up. Every time health care goes up, somebody's paying that tab. Whether we are doing it through reallocating funds from the county taxpayers into this program, the State picks it up, or the individual who is actually receiving the service. But I would like to know just how much we're subsidizing all this, and what the true cost is? Mrs. Eastwood said I certainly will give you that. I will tell you just kind of looking right off, our Primary Care Program is our biggest program that the county contributes to, and the county contributes about 46% to Primary Care for children ages 0 and up. That's for primary care for children. The rest of it is picked up by other sources. Maternal health is about 27% County funded. Family planning is about 9% county funded.

Commissioner Gwynn asked is Medicaid for children versus Medicaid in general, is it a different cost or fee paid? Or is it the same thing? Mrs. Eastwood said it's the same thing.

Chairman Dickerson said with all the Medicare patients, even if these fees are increasing, Medicaid pays a certain amount, and then the person that's under Medicaid doesn't have to pay any extra above that. Right? Mrs. Eastwood said it depends. We offer a sliding fee scale. So let's say Sally Smith is coming in. She has no income, and there are four people living in her household. She may qualify as a zero percent pay. So anything over what Medicaid pays, she doesn't have to pay. That is a requirement from the State that we have to provide the sliding fee scale. Chairman Dickerson said so it's according to the ability to pay. Mrs. Eastwood said when we check their eligibility, we verify it. They have to bring in certain sources of income, and we verify that and determine where they fall on that scale. So we do have some people who are zero percent pay. They won't pay anything. The majority of people have to pay something. Whether it's 20% or 100%, they have to pay something beyond what their insurance pays, or if they don't have insurance, they have to pay based on the sliding fee scale. Chairman Dickerson said if you could crunch those numbers before we get into it, I'd like to see those.

County Manager Miller said so Commissioners, any other questions for our Health Director? If not, thank you Jennifer. So that's all we have. If you got any questions, I'm more than happy to answer those.

Chairman Dickerson acknowledged that he had a **motion and a second** at 10:25 am and **carried unanimously** to adjourn the meeting.

The next budget work session is scheduled for May 19, 2023 at 5:30 pm at the Gunn Memorial Library.

Carla R. Smith
Clerk to the Board

John Dickerson
Chairman

May 12, 2023