

**PASQUOTANK COUNTY, NORTH CAROLINA
FEBRUARY 23, 2024**

The Pasquotank County Board of Commissioners held a retreat on Friday, February 23, 2024 at Sentara Albemarle Medical Center Education Center, 1144 N. Road Street, Elizabeth City, N.C.

MEMBERS PRESENT: Charles Jordan, Chairman
Barry Overman, Vice-Chairman
Lloyd E. Griffin, III
Sean Lavin
Jonathan Meads
Sam Davis
Clifford Shaw

MEMBERS ABSENT: None

OTHERS PRESENT: Sparty Hammett, County Manager
John Shannon, Asst. County Manager
R. Michael Cox, County Attorney
Sheri Small, Finance Officer
Mike Barclift, Management Fellow
Lynn Scott, Clerk to the Board
Shatoria Reid, Deputy Clerk to the Board

Following breakfast, the meeting was called to order at 8:30 AM by Chairman Charles Jordan.

1. FY2024-25 BUDGET:

Finance Officer Sheri Small provided a list of outstanding debt and reviewed general fund revenues and expenditures.

County Manager Sparty Hammett provided the following FY 23-24 budget priorities:

Mandatory Increases

- Newland Park Operational Costs
 - It is anticipated that the park will be operating during the last six months of FY24-25.
- Employee Retirement
 - Approximately \$120,000 Annual Cost Increase.
- Liability Insurance
 - Potential Increase due to factors pushing up carrier payouts; increase – 20%.
- Albemarle District Jail
 - Staffing shortages have decreased the ability to house Federal inmates resulting in major revenue loss – 20%?

Employee Compensation

- Cost of Living Increase (% To Be Determined)
 - 3% COLA in FY22-23 & 5% COLA in FY23-24. Percentage to be determined.
- Internal Compensation Study - Update
 - General Fund Departments (with the exception of EMS and Sheriff's Office).

Other Priorities

- Finance Officer – Dual Funding for 6 months
 - Sheri Small is retiring – one-year overlap – CY2024.
 - Finance Officer Hans Kalwitz started on February 19th.
- \$25,000 Management Fellow Stipend Ending
 - Management Fellow Mike Barclift has agreed to continue working as a Special Projects Manager. \$25,000 will be identified in the FY24-25 Budget.
- Soil and Water – Drainage Projects – Increase to \$160,000
 - We have drainage concerns throughout the County. This will continue the trend of increased drainage funding (FY18-19 - \$25,000 increased annually to FY23-24 - \$140,000

Additional Positions

- Sheriff's Office
 - Two Additional Deputies.
- Planning and Inspections
 - Building Inspector
- Maintenance Department
 - Maintenance Technician

2. FY2023-24 GOALS UPDATE AND 2023 ACCOMPLISHMENTS:

County Manager Sparty Hammett provided the following FY2023-24 Goals Update and 2023 Accomplishments:

FY2023-24 Budget

- Develop a No Tax Increase FY2023-24 Budget.
Status: Completed.
- Based upon funding availability, provide a Cost of Living Increase for all employees (percentage to be determined during the budget process).
Status: Completed – 5% Cost of Living Increase.
- Review Pasquotank County's existing revenue sources and identify any strategies for maximizing revenue, beyond raising taxes, to be used during the Fiscal Year 2024-25 budget process.
Status: Completed – increased Inspections fees.
- Conduct research and analysis to determine if there are opportunities for other sources of revenue that are not currently being utilized by the County to be used during the Fiscal Year 2024-25 budget process.
Status: Will be completed during FY24-25 Budget process.

County Attorney

- Continue process of updating and codifying county ordinances.
Status: In progress – Animal Ordinance and Utilities Ordinance.

County Manager

- Initiate annual community meetings for staff to convey information to citizens and to answer questions.
Status: Completed.
- Continue to implement strategies that enhance Pasquotank County's public image, improve citizen and employee engagement, and promote broader access to information about Pasquotank County government.
Status: In progress, Facebook presence has increased.
- Continue to conduct Operational Studies to improve efficiency and effectiveness of County services to citizens. An Operational Study of the Maintenance Department will be the initial Fiscal Year 2023-24 study.
Status: In progress.
- Continue implementing and updating all County policies needed for current operations.
Status: In progress – Utilities, Personnel Policy, and Purchasing Policy.
- Continue working to maximize Revenue Replacement Funds allocated for Broadband by matching the funds with state and federal grant programs. Synchronize county funding and public awareness regarding deployment of broadband services with the state and federal programs.
Status: In progress – waiting on NC Department of IT to complete CAB draft scope of work.
- Work with the Sheriff's Office and Central Communications in implementing recommendations in the Animal Services Operational Study.
Status: In progress.
- Oversee ongoing Commissioner Boardroom project and initial operating capability.
Status: Completed.
- Explore options to develop SAMC property to maximize the return to the County and create the most impact for the Road Street corridor.
Status: In progress.
- Develop a plan to reduce litter countywide.
In progress – staff have been meeting to develop recommendations.

Countywide Drainage

- Continue to work through the Drainage Advisory Committee to address countywide drainage and water quality issues.
Status: Countywide Drainage Committee meets bi-monthly and projects are in process throughout the County.
- Continue to increase annual County funding for drainage projects and to pursue grants to augment the funding.
Status: Completed – funding has increased each Fiscal Year (FY18-19 - \$25,000; FY19-20 - \$40,000; FY20-21 - \$60,000; FY21-22 - \$100,000; FY 22-23 - \$120,000; FY23-24 - \$140,000). Received \$227,100 Streamflow Rehabilitation Assistance Program (StRAP) grant for repair and removal of stream debris from the floodplain.

Economic Development

- Engage with aerospace companies to promote the development of the Pasquotank County Aviation Research and Development Commerce Park for aviation related investments.
Status: In progress – ongoing effort.
- Engage with speculative builders to promote the Pasquotank County Commerce Park for a potential shell building partnership.
Status: No progress to-date.

Emergency Medical Services

- Review compensation for certified Emergency Medical Services employees to address recruiting and retention.
Status: Completed.

Finance Office

- Continue to aggressively pursue grant funding to assist with funding County projects.
Status: In progress.
- Recruit and begin training a new Finance Officer.
Status: In progress – Hans Kalwitz started on Monday.

Fire Services

- Increase the Per Call Stipend for Volunteer Firefighters from \$10 to \$15 in FY2023-24 budget.
Status: Completed.
- Fund two fire trucks in advance in the FY2023-24 Budget to address the long lead time for purchases and the rapidly increasing costs.
Status: Completed.

Lobbyist/Legislative

- Follow-up monthly with our Lobbyist to ensure support of both the NCACC's legislative goals and Pasquotank County's local goals.
Status: Completed to-date.
- Schedule two Board presentations for our Lobbyist to provide legislative updates and updates on their efforts in pursuing the County's legislative goals.
Status: Retreat is second meeting.

Human Resources

- Formalize and implement a Countywide Safety Program
Status: In progress – Safety Officer hired and Safety Committee formed.

Information Technology

- Continue to expand the use of new technology based on cost versus benefits and funding availability.
Status: In progress.
- Update County Website and implement customer service payment portal.
Status: Website update completed; customer service payment portal is in progress.

Maintenance Department

- Continue ongoing efforts to address Courthouse maintenance issues.
Status: In progress – roof completed.

Sheriff's Office

- Continue efforts to implement recommendations identified in the Courthouse Security Assessment.
Status: In progress.
- Continue the elevated level of training for Sheriff's staff.
Status: Completed – SO's training budget request was fully funded and they received a \$40,000 training grant.
- Work with the County Manager's Office in implementing recommendations in the Animal Services Operations Study.
Status: In progress – TNVR efforts and improved coordination/communication between Animal Control & Shelter.

Social Services Department

- Work with the state to implement Medicaid Expansion.
Status: In progress.

Solid Waste Department

- Continue implementing recommendations in the Solid Waste Operations Study with available funding.
Status: In progress.

Utilities Department

- Continue implementing Water and Sewer Master Plan projects as recommended by staff and approved by the Board in February 2020.
Status: Design of the expansion of the Reverse Osmosis Plant from 2 to 3 Million Gallons per Day has been completed and the third train will be installed in July 2024. Water line upgrades for the Newland territory purchased from the South Mills Water Association were completed. Several other projects are moving forward.

2023 ACCOMPLISHMENTS

Central Communications

- Transitioned to Hosted Solution - Transitioned from site-held phone equipment to the hosted solution offered by the NC 911 Board. The equipment is now monitored 24/7 by the Network Monitoring and Assistance Center (NMAC) and Central can now quickly transfer their lines in case of an outage to preset destinations.
- Public Education Team – Implemented a Public Education Team which participated in National Night Out and several school events in Camden and Pasquotank counties.
- Portable Radio Grant - Awaiting an award letter for a portable radio grant of \$49,985.

Cooperative Extension

Volunteer Support

- 409 Volunteers
- Hours Worked – 1,694
- Client Contacts Made – 3,278
- Dollar Value – \$50,736

Program Impacts

- 452 Meetings or Events
- 5,995 Citizen Contacts
- \$32,000 Received from Grants/Donations
- 633 Certification Hours Earned by Participants
- \$396,896 Saved by Medicare Beneficiaries

County Attorney's Office

- Updating Ordinances - The County Attorney's Office continued the process of updating ordinances including the Animal Ordinance and Utilities Ordinance.
- Legal Assistance - Provided assistance with all major County projects.

Pasquotank Board of Elections

- Implemented Photo ID - Successfully implemented photo ID for all voters in the City of Elizabeth City municipal election.

- City Election - Executed a free, fair, and secure election to thousands of city voters while implementing the new photo ID requirement.
- North Carolina Elections Director Certification - Director Tate completed her certification program to become a certified North Carolina Elections Director.

Emergency Management

- Public Safety Camp - The first Public Safety Camp was held in July 2023 with 29 participants from Pasquotank and Camden counties in the age range of 11-17 years old. Ten staff members consisting of SRO's from Pasquotank and Camden counties assisted as camp counselors. The camp was supported with approximately \$4,000 in donations.
- Emergency Operations Center (EOC) Upgrade - EM secured grants of \$37,000 to upgrade the EOC and mobile command trailer; this included new computers, tables, chairs, and updated TV's for the EOC at the Public Safety building and updates to the mobile command trailer along with technology equipment for EM staff vehicles to function as a command post on a scene response.
- Emergency Management Grants - Approximately \$88,000 was secured by EM Assistant Josh Wyse throughout the year for equipment purchases/upgrades; these grants assist with replacing outdated equipment and purchasing new equipment.

EMS

- EMT Apprentice Program - Developed and implemented the EMT Apprentice Program in conjunction with COA.
- Innovation Award - Received the NCACC "Innovation Award" for Tiered Response.
- ECSU Partnership - Bolstered partnership with Elizabeth City State University to enhance educational and public safety initiatives.
 - Multiple opioid awareness and response trainings
 - Basic first aid skills taught to the CERT (Certified Emergency Response Team)
 - CERT integration with EMS at public events
 - Integrated with the Athletics Trainers to enhance consistency in patient care for sporting events

Finance Office

- Certificate of Achievement for Excellence - The Finance Office received the Certificate of Achievement for Excellence in Financial Reporting for the year ended June 30, 2022 (the 25th consecutive year).
- Unmodified Audit Opinion - The June 30, 2023 audit received an unmodified opinion from the auditors. The unmodified opinion is expressed when the auditor concludes that the financial statements are presented fairly, in all material aspects, in accordance with the applicable financial reporting framework.

Fire Departments

- Grant Funding - Received \$420,000 in grant funding. Grants were received from NC State Volunteer Fire, Forestry, NC Supplemental Fire, COVID, and Cannon Foundation.
- Nixonton VFD Truck - Upgraded the chassis on Nixonton's new truck (commercial to custom cab). We should receive the truck by November 2024.
- Newland and Providence VFD Trucks - Signed contracts for Newland and Providence's new trucks with the arrival date in late 2025 to early 2026.

Human Resources

- Safety Coordinator - Hired a Safety Coordinator.
- Employee Navigator - Implemented Employee Navigator for Employee Benefits.
- NeoGov - Implementing NeoGov applicant tracking software.

GIS

- Website Redesign - Redesigned the website. The Library is moving forward with transitioning to the County's website.
- Ongoing Tasks - Updating parcels, helping customers, assigning addresses.

Information Technology

- Tax Software - Working with the Tax Office to implement new Tax software.
- Upgrading Switches and Firewalls - Almost finished with upgrades to switches and firewalls.

- Installing Fiber - Worked with Spectrum to install fiber at the Landfill for better communications with our servers and future plans (credit cards, cameras, etc.). In the process of running fiber from Cooperative Extension to the Utilities Department.

Library

- Five-Year Collection Redevelopment Project - Started a Five-Year Collection Redevelopment project, added newly published items to all areas of the collection, and concentrated on a specific section for more intense work. This year's project was the children's collection, which includes: Juvenile Nonfiction, Juvenile Fiction, Early Chapter, Early Reader, Picture, and Board Books.
- Expanded Community Programming - Library staff now offers weekly children's storytimes, monthly Lego Club, monthly adult book club, and drop-in creative programming. Additionally, the Library collaborates with county and community organizations to provide a variety of educational and programming options.
- Implemented Programming Room - Transformed an underutilized upstairs area into a Programming Room. This space is available for Library, county, and public use during business hours.

ECPC Parks and Recreation

- New Facilities/Facility Improvement/Acquisitions - Newland Park, Elizabeth City Middle School Gym, Fun Junktion Pavilion, and George Wood Park.
- Partnerships/Use Agreements - Host Sites for River City Skippers (Holmes Field) and Central Intercollegiate Athletic Association CIAA Girls Softball Tournament (South Park Sports Complex).
- New Special/Community Events - Fall Festival, 2-Day Circus, and Bow-Wow Bash (Pop-up Dog Park).

Planning & Inspections

- During 2023, 121 building permits were issued for single-family residences with an estimated value of \$28,645,726. Over the same period, there were 23 building permits issued for commercial structures with a value of \$2,948,952. Building inspectors completed 3,363 total inspections.
- The County Fire Marshal investigated 45 fires in 2023, including 16 structure fires. He also conducted 152 fire inspections for businesses, churches, schools, and foster homes.
- Applied for and selected to participate in the NC Resilient Coastal Communities program. The estimated value of this award is \$100,000 and development of the plan began in the fall. Applied for and received a \$12,000 grant from the Albemarle Resource Conservation and Development Council to facilitate an update of the Pasquotank County Drainage Manual.

Register of Deeds

- Preserving Older Marriage License - The Register of Deeds continued to go back in time by preserving older Marriage Licenses from January to December 1950. The service included conservation treatments and rehousing.
- Implemented Electronic Birth Certificates – ROD staff attended in person and virtual trainings to allow the Office to provide birth certificates electronically effective February 1, 2023.

Sheriff's Office

- Staffing - The Sheriff's Office is fully staffed. The salary study increases approved by the Board for FY23-24 have helped the Office stay competitive with the recruitment of new employees.
- Training Grant - The Office received a \$40,000 training grant that has helped cover the cost of the CALM Approach refresher class, as well as covering the cost for other additional trainings.
- Chief Deputy Leadership Institute - Chief Deputy Fogg completed two one-week courses for the Chief Deputy Leadership Institute.
- Patrol and Training Room Updates - Updated the Patrol Room, and updated technology in the Training Room to enable staff to attend virtual meetings, as well as host Justice Academy classes.

Social Services Department

- Telework Project – The project continues to be a significant benefit to staff retention and work productivity (and office space).
 - Started with 10 staff January 2023; Added 8 more mid 2023. Currently have 14 Income Maintenance staff working offsite (4 Adult Medicaid, 5 Food & Nutrition Services, 5 Family & Children Medicaid).
 - Will be identifying another group in April/May (had to pause due to Medicaid Expansion).
 - Teleworkers rotate “in office” at least 1 day per week.
- Medicaid Expansion - In preparation for Medicaid Expansion rollout December 1, 2023, service delivery to customers has improved due to increased efforts from NCDHHS/DHB with automation of various activities through NCFASST and ePass (ie., online applications/reviews; Straight Thru Processing; rollover for MXP).

Soil & Water Conservation District

- StRAP Grant - Received \$227,100 Streamflow Rehabilitation Assistance Program (StRAP) funding for repair and removal of stream debris from the floodplain, which has been completed.
- Best Management Practice - Cost share conservation cover crop Best Management Practice (BMP) installed on 506 acres and Crop Residue Management on 178 acres with \$39,205 allocated funds.
- Conservation Easement - Applied for permanent conservation easement for farmland preservation on Perkins Lane.

Solid Waste Department

- Convenience Site Upgrades - Three (Newland, Coast Guard and Providence Sites) of seven drop-off sites have been renovated with a new center concrete pad and larger stationary center compactor. This project was identified in the Solid Waste Study and provides improved access and increases waste capacity to better serve the public. It also allows each site to have better drainage, cleanup, and efficiency (more compaction, more efficient motors, etc.).
- Ended Commercial Recycling Route - Ended the commercial recycling route and placed a commercial recycling station downtown for all glass bottle recycling primarily by businesses. This project significantly reduced operating costs.
- C&D Landfill Expansion - The construction and demolition (C&D) landfill had a 1.04 acre expansion approved, built, and put into operation this year. At current waste generation levels, this should provide between 2.5 to 5 years of additional capacity barring any major storms or disasters.

Tax Department

- Implementing New Tax Software - During 2023, the Pasquotank Tax Department began the process of converting to new software.
- Redesigned Tax Abstracts - The 2023 Tax Abstracts were redesigned to a more modern format and outsourced, streamlining the process.

Utilities Department

- Customer Online Payment Portal – Began implementing Paya, the new payment portal which is approximately 30% less expensive for customers to pay using credit cards online. Additionally, customers will have access to up-to-date billing information while making payments and have more online payment modes (credit/debit/ACH) available than they do today. We are on track for the system to go live for public use in early March 2024.
- Newland Water Upgrades - The Northside pump station was brought online on 1/17/24. Project started in the Fall of 2022. The \$3,506,362.00 project was brought in under budget, with an estimated final cost of \$3,366,895, a difference of \$139,368.
- Reverse Osmosis Plant Expansion - Contract with Harn R/O for the purchase and installation of a 1 MGD train for the R/O Plant was signed in the spring of 2023 for \$1,348,000. The train is schedule to ship on 3/19/24, and the target date to bring it online is 7/1/24.

Overall Accomplishments

- Pasquotank - lowest tax rate among comparison counties – 18.4 cents lower than average.
- Pasquotank is one of only ten NC Counties without a special tax district in addition to the base property tax (Fire; EMS/Rescue Squad; and other special purposes). Example:
 Chowan - .665 prop tax rate
 + .070 county fire tax
 .735 total property tax

Property Tax Rate Comparison	
County	FY 2023-24
Pasquotank	0.620
Beaufort	0.825
Bertie	0.885
Camden	0.730
Chowan	0.685
Gates	0.840
Halifax	0.760
Hertford	0.840
Hyde	1.045
Martin	0.810
Northampton	0.835
Perquimans	0.640
Tyrrell	0.950
Washington	0.850
Comparison County Average	0.804
Currituck	0.560
Dare	0.401

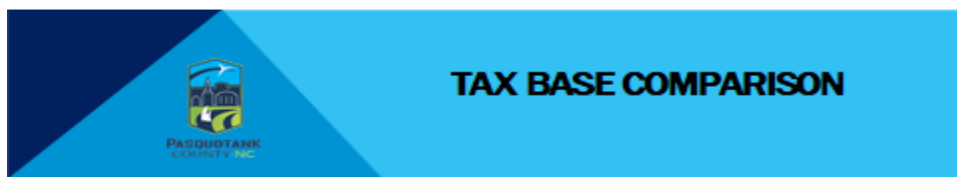
Source: NC Department of Revenue.



Taxable Property Per Capita

(2023 NCACC County Map Book – FY2022-23)

- #1 – Dare - \$454,294
- #5 – Currituck - \$271,854
- #33 – Beaufort - \$141,743
- #44 – Perquimans - \$128,874
- #58 – Pasquotank - \$106,791
- **Statewide Average - \$136,253**



- Pasquotank's Debt has decreased from \$71.8 million in 2013 to \$27.5 million.
- Pasquotank's Debt Per Capita was \$779 or 54% lower than the comparison average.
- Decreasing the debt service payments allows the County to address more needs without increasing taxes.

Debt Per Capita - June 30, 2022			
County	Debt June 30, 2022	2022 Population	Debt per Capita
Pasquotank ¹	\$27,483,861	40,938	\$671
Beaufort	\$48,015,387	44,272	\$1,085
Camden	\$18,503,474	11,088	\$1,669
Chowan	\$7,114,000	13,940	\$510
Currituck	\$30,175,000	31,015	\$973
Dare	\$141,875,833	37,956	\$3,738
Perquimans	\$9,562,259	13,210	\$724
Comparison County Average	\$42,540,992	25,247	\$1,450

Notes:
 (1) Albemarle District Jail shared debt was adjusted.



- Implemented all internal operational improvements and service delivery enhancements in the last 5 years, without a tax increase.
1. Conducted and implemented an internal Compensation Study and established up to 5% 401(k) match for employees to make salaries and benefits competitive.

2. Implemented the County's first logo to establish a recognizable brand for vehicles, business cards, stationary, shirts, etc.
3. Implemented Overgrown Lots and Unsafe Housing Ordinances/Programs (discussed for 15-years).
4. Updated IT Network Infrastructure (outdated by 15 to 20 years).
5. Allocated dedicated funding to address Countywide drainage issues and implemented Drainage Advisory Committee.
6. Purchased land and started design of Newland Park (discussed for 20-years).
7. Completed 20-year Water and Sewer Master Plan that will serve as the base for providing high quality water to all of our citizens.
8. Purchased the Newland territory of South Mills Water Association (discussed for over 25-years).
9. Negotiated Lease Buyout Agreement with Sentara.
10. Implemented internal operational studies to improve services to citizens (Library, Solid Waste Department, Animal Shelter).

3. LIBRARY DISCUSSION – CONTINUE EARL OR STANDALONE:

Background:

- The East Albemarle Regional Library (EARL) is a regional system providing library services to the residents of and visitors to Camden, Currituck, Dare, and Pasquotank counties.
- EARL was established in 1964.
- The current contract for EARL between the four counties

2023 Retreat Options for Moving Forward:

There are six potential options for moving forward:

1. Sign another 10-year contract to continue EARL operations.
2. Sign a 3-year contract extension to allow expenditure of the \$230,000 in ARPA funds.
3. Create two separate regional libraries.
4. Create two separate regional libraries; share resources and database.
5. Become county departments (four separate libraries).
6. Become county departments; share resources.

2023 – EARL and Staff Recommendation

- Execute a three-year extension of the current EARL agreement.
- EARL recently received \$230,000 in ARPA funds. These funds significantly improved EARL's short-term financial position.
- However, when these funds are gone, EARL will be right back to where we are now, and it will be pointless in 2027 to maintain a State-authorized structure with 1999-level State funding.
- We believe a shorter term Regional Library agreement gives EARL and Pasquotank County time to consider the best organizational structure to deliver library service to our citizens in the decades ahead.

Current EARL Agreement

- Traditionally, the member counties have maintained the regional agreement on a 10-year-cycle. As a departure, in June 2023 the EARL counties chose to enter into a 3-year agreement while evaluating options to either continue as a region or to move to the independent county library model.
- The 3-year agreement allowed time to expend the \$230,016 in State Fiscal Recovery Funds/American Rescue Plan Act (SFRF/ARPA) funds received on September 30, 2022. All SFRF/ARPA eligible expenses must be incurred or obligated by December 31, 2024, and expended by December 31, 2026.
- Our current EARL contract runs from July 1, 2023 to June 30, 2026.

State Aid for Public Libraries Eligibility

- The State Library of North Carolina (SLNC) provides for NC public libraries to receive grant funds appropriated annually by the North Carolina General Assembly in the form of Aid to Public Libraries (State Aid).
- Pursuant to 07 NCAC 02I.201: libraries requesting grants should submit annually to the SLNC an application for State Aid and supporting documentation including financial and statistical reports and shall meet 12 eligibility requirements. The most important

eligibility requirements related to the decision of whether or not to continue EARL include the following:

- Employ a full-time library director having or eligible for North Carolina public librarian certification. Full-time means working a minimum of 35 hours per week.

State Aid – Key Eligibility Requirements

- Secure operational funds from local government sources at least equal to the average amount budgeted and available for expenditure for the previous three years.
- Meet the following stipulations when establishing a new library or re-establishing eligibility (demonstration year) for the Aid to Public Libraries Fund:
 - meet all requirements of this Section on July 1 of the year prior to the fiscal year that the library plans to receive state aid;
 - continue to meet all requirements of this Section from July 1 to June 30 of that year, which shall be known as the demonstration year; and
 - file a full application for state aid by the June 30 deadline at the close of the demonstration year in order to receive state aid in the next fiscal year.

Maintenance of Effort

- Maintenance of Effort (MOE) is the requirement that public libraries secure operational funds from the local government sources at least equal to the average amount budgeted and available for expenditure for the previous three years.
- If the amount budgeted and available for expenditure by local government is below the average of the previous three fiscal years, a grant to a local library system from the Aid to Public Libraries Fund shall not be terminated, but shall be reduced proportionately by the Department of Natural and Cultural Resources.
- Each county's Maintenance of Effort for FY 2023-24 is Camden \$235,327, Currituck \$783,703, Dare \$1,265,755, and Pasquotank \$845,376. The SLNC expects that each independent county library should be funded at or above these levels following a regional dissolution.

State Aid for Public Library Calculations

- The factors determining state aid amounts include population, PCI (local and state per capita income), state aid allocation, and whether your county, city, or region met its average MOE level (3-year moving average).
- Formula
- Annual state aid funding is divided into two equal parts:
- Fifty percent (50%) is allocated for “block” grants.
- Fifty percent (50%) is allocated for “equalization” grants.
- Block Allocation Calculation - The allocation for block grants is equally divided between all North Carolina counties with special consideration for regional library systems. Regional libraries receive an additional share of the block allocation.
- Equalization Allocation Calculation – The other 50% of state aid funds is distributed to each eligible library system based upon three (3) primary factors:
 1. Local community support - represents both monetary and in-kind contributions. The goal of monitoring local community support is to ensure that the level of local funding of a library system remains constant from year to year, ensuring long-term sustainability. The State Library uses a 3-year rolling average to accommodate spikes in local funding.
 2. Library's service area population (obtained from the NC Office of State Budget and Management Office).
 3. Library's service area per capita income (obtained from US Census Bureau).

Demonstration Year

- When a regional library system dissolves and/or a new county public library is created the State Library of North Carolina (SLNC) requires a demonstration year. During this cycle, the library is not eligible for State Aid and must prove that they can successfully meet the requirements for State Aid for Public Libraries.
- The SLNC's legal counsel offered the option to overlay EARL's final year of service with the demonstration year for the county libraries. Assuming each county library successfully applies for State Aid during the 2025-26 cycle, State Aid should be awarded to the county libraries for the 2026-27 fiscal year. This would result in no lapse of state funding, in contrast to our discussion during the 2023 Retreat.

EARL State Aid Ward & Projected Aid to Counties

- FY 2023-24 State Aid Award to EARL

Block (\$63,313 X 5)	\$316,565
Equalization (plus MOE)	\$ 76,796
Total	\$393,631

- The SLNC offered a State Aid award projection based on the updated FY 2023-24 aid amounts, applying the current State Aid formula and using current population, per capita income (PCI), and Per Capita Income Equalization (PCIE).
- The following is the projected State Aid to each County: Camden \$89,854; Currituck \$102,744; Dare \$105,526; and Pasquotank \$119,635.

Integrated Library System

- Libraries use integrated library systems (ILS) to manage work flows. The SLNC offers all public libraries the option to join NC Cardinal, a web-based, state-supported ILS, while EARL currently uses TLC as its ILS provider.
- TLC is a server-based ILS, with the server housed in the Pasquotank Library. Server maintenance requires local IT support, which is invoiced to EARL.
- If EARL is dissolved, staff recommends converting to NC Cardinal. NC Cardinal can share resources with all participating NC libraries, outsource IT support to the SLNC, and reduce annual costs.
- The NC Cardinal conversion year and the following fiscal year will be free to each county. Projected annual NC Cardinal cost for Pasquotank is \$4,000.
- TLC expenses are currently split among the four EARL counties, with a small portion paid by EARL. For FY 2023-24, annual TLC cost for Pasquotank will be \$6,711.
- EARL has a commitment from the SLNC and the NC Cardinal team to add EARL as a regional system during the final year of our Regional Agreement, FY 2025-26. Then, the team would separate the four county libraries to function independently on July 1, 2026.

Negatives of Current Structure

- Lack of state funds to support structure.
- Lack of adequate state funds for innovation.
- Cannot pay professional staff appropriately.
- Have had to put more costs onto member counties.
- Combined County Librarian/Regional Director position serves neither entity well.
- Counties have no direct authority over Librarians employed by EARL, while Library employees are County employees.
- Outlook for adequate state funding is bleak.

County Responsibilities for Independent Library

- IT
 - All responsibility for staff workstations and public computers moves to the county.
 - If we transitioned to NC Cardinal before a Regional split, county IT will not need to provide ILS support.
 - All email accounts for full-time employees will be moved over to Pasquotank County email by Spring 2024.
- Human Resources – Librarian would become a County employee, compensation will be discussed in Closed Session.

Options for Moving Forward

There are two potential options for moving forward:

1. Sign another 10-year contract to continue EARL operations.
2. Become county departments (four separate libraries).

2024-EARL and Staff Recommendation

- End EARL and form an independent/standalone Library.

Key Dates:

1. Current Regional Agreement: July 1, 2023-June 30, 2026
2. Prepare and submit the NC Cardinal application September 1 to November 1, 2024, for a live date of June 25, 2026

3. Withdrawal notice deadline: on or before July 1, 2025 for a withdrawal effective June 30, 2026
4. July 1, 2025 to June 30, 2026: Demonstration Year (concurrent with EARL's final year)
5. June 25, 2026: go live with NC Cardinal
6. June 30, 2026: last day of EARL
7. July 1, 2026: first day as independent county libraries

4. BOARD OF ELECTIONS OFFICE SPACE REQUEST:

- The Board of Elections sent a letter on July 18, 2023 requesting additional space.
- The Board deferred action on the request until the 2024 Retreat.
- One option Elections presented was to relocate the American Red Cross, which has a 1,000sf storage room in the Elections space and a separate 1,200sf office space down the hall in the area behind the auditorium used for early voting.
- If the Red Cross was relocated to another space, their existing space would allow for space to renovate for Elections.
- Staff began reviewing the space request in January 2024, and concurs with the Board of Elections request for additional space.
- As previously discussed with the Board, staff has been researching options to meet long-term parking needs for the County facilities located downtown.
- Currently, we only have 39 parking spaces available for citizens who are conducting business with the County, attending court, or visiting the Library.
- The parking shortage is acute during Superior Court sessions.
- In addition, the Sheriff's Office has space needs.
- Staff has identified a property that will meet the space needs for the Sheriff's Office, parking needs for the downtown County facilities, and serve as the first step toward addressing the Board of Elections space needs.
- Per Closed Session direction, staff is negotiating the purchase of the property. (Per [N.C.G.S. 143-318.11(a)(5)] To establish or instruct the staff or agent concerning the negotiation of the price and terms of a contract concerning the acquisition of real property).
- If the property is purchased, that would allow the Sheriff's Office Investigators to move from the Edgewood Center, freeing space to relocate the American Red Cross.
- Staff has shown the potential space to the American Red Cross, and they are agreeable to their proposed new location.
- Purchase of the property is the first step to addressing the space needs for the Board of Elections. A total of 2,200sf of additional space would be available for expansion and the existing area could be reconfigured to improve the flow and functionality of the space.

Projected Steps/Timeline if Property is Purchased

1. Property would close on April 30, 2024.
2. Sheriff's Office Investigation Division (including the Narcotics Investigators housed at Edgewood) would move into the new location by June 30, 2024.
3. Retain an architect to complete the design for the renovation of the Board Elections space by July 1, 2024.
4. Maintenance would begin painting and preparing the existing Narcotics space at the Edgewood Center to move the American Red Cross into their new space by September 30, 2024.
5. Obtain renovation construction bids, award, complete contract, and issue Notice to Proceed by January 3, 2025.
6. Begin renovation of Board of Elections space by January 27, 2025.

5. SAMC PROPERTY – DEVELOPMENT FINANCE INITIATIVE PRESENTATION:

Marcia Perritt, Director and Eric Thomas, Associate Director with the UNC School of Government Development Finance Initiative (DFI) provided information on the services they provide. DFI is a program of UNC Chapel Hill's School of Government that advises communities in NC to attract private investment for transformative projects by providing specialized real estate development and finance expertise.

They provided a snapshot of projects they have worked on in the past, as well as current projects. They also provided a project scope overview of the Albemarle Hospital Campus pre-Development Feasibility Assessment to include: Community Scan and Stakeholder

Engagement; Parcel Analysis; Market Analysis; Site Analysis; Finance Feasibility Analysis; Analyze Public Involvement Options; Establish Criteria and Framework for Identification and Selection of Development Partners; Solicitation of Development Partners; and Development Agreement Support.

County Manager Hammett presented the following slides:

- When the Hospital leaves, it will negatively impact the Road Street corridor. Private development of the site could help offset the loss and put the property on the tax roll.
- Site is 74.9 acres with approximately 35 being developable (upland) and 40 acres of wetlands.
- Approximately 3,500’ of shoreline on the Pasquotank River.
- SAMC building is 338,000 SF.

Next Steps – March 18th Finance Committee

- Consider approval of COA’s request for the Cancer Center and EMS Station #50. COA President Jack Bagwell will present and answer questions from the Board.
- Consider approval of DFI’s Pre-Development Feasibility Analysis Proposal.

6. RECOMMENDED USE OF SENTARA LEASE BUY-OUT FUNDS:

County Manager Hammett presented the following:

- The local paper asked the candidates for Commissioner the following question regarding Sentara vacating the current hospital site.
 “Once the move is completed the county is also set to receive around \$28 million in escrow funds from Sentara. What would you like that money be used for?”
- The purpose of this Retreat item is to get ahead of the perception that the funding available from the escrow funds is “free money.”
- The Sentara lease is the source of \$1,789,000 in recurring annual revenue.
- If a decision is made by the Board to spend the funds without planning for the future impact, the net impact of the loss of revenue would be a 4.2 cent tax increase.
- A slow reduction in the use of the funds over time is recommended to allow the County to absorb the impact of the revenue loss without impacting citizens.
- Over time, other revenue sources should increase, such as placing the Sentara property on the tax roll. In addition, the expense of annual debt service will decrease.
- The January 31, 2024 balance in the Sentara Lease Buy-out account is \$32,835,312.
- The \$1,789,000 drawdown for Fiscal Year 2023-24 is in process, which will result in a balance of \$31,046,312.
- The balance of \$31,046,312 will serve as the base for the options for the recommended use of the funds.

Option 1 – 15-year Reduction Plan

Fiscal Year	Reduction - \$119,267
2025-26	\$1,669,733
2026-27	\$1,550,466
2027-28	\$1,431,199
2028-29	\$1,311,932
2029-30	\$1,192,665
2030-31	\$1,073,398
2031-32	\$954,131
2032-33	\$834,864
2033-34	\$715,597
2034-35	\$596,330
2035-36	\$477,063
2036-37	\$357,796
2037-38	\$238,529
2038-39	\$119,262
2039-40	\$0
Total	\$12,522,965

- The Option 1 plan would drawdown \$12,522,965 over 15-year period, leaving \$18,523,347 in unallocated funds.
- Staff recommends using the funding to address capital needs, eliminating the need to use debt service. The following are the capital projects recommended:
- Renovation of space for Board of Elections – estimated cost to be determined after architect is selected.
- EMS Headquarters – estimated cost - \$10 million and \$5.5 million is available in capital reserves set aside for EMS; \$4.5 million from Lease Buy-out funds will be needed.
- Courthouse renovation.

Option 2 – 20-Year Reduction Plan

Fiscal Year	Reduction - \$89,450
2025-26	\$1,699,550
2026-27	\$1,610,100
2027-28	\$1,520,650
2028-29	\$1,431,200
2029-30	\$1,341,750
2030-31	\$1,252,300
2031-32	\$1,162,850
2032-33	\$1,073,400
2033-34	\$983,950
2034-35	\$894,500
2035-36	\$805,050
2036-37	\$715,600
2037-38	\$626,150
2038-39	\$536,700
2039-40	\$447,250
2040-41	\$357,800
2041-42	\$268,350
2042-43	\$178,900
2043-44	\$89,450
2044-45	\$0
Total	\$16,995,500

- The Option 2 plan would drawdown \$16,995,500 over a 20-year period, leaving \$14,050,812 in unallocated funds.
- Staff recommends using the funding to address capital needs, eliminating the need to use debt service. The following are the capital projects recommended:
- Renovation of space for Board of Elections – estimated cost to be determined after architect is selected.
- EMS Headquarters – estimated cost - \$10 million and \$5.5 million is available in capital reserves set aside for EMS; \$4.5 million from Lease Buy-out funds will be needed.
- Courthouse renovation.

Next Step – March 18th Finance Committee

- Consider recommended plan for use of Sentara Lease Buy-out Funds.

7. LEGISLATIVE UPDATE:

Jackson Stancil, the County’s Lobbyist provided a legislative update.

8. WORKING TOGETHER AS A BOARD & PARTISAN POLITICS:

Denise Stinagle and Neil Emory, with the UNC School of Government provided a session on the importance of Board relations and working together as a group.

9. FY2024-25 GOALS:

Mr. Hammett stated that staff will develop Goals from the Retreat sessions based on the information presented, and feedback from Commissioners during the presentations. He noted that some of the FY23-43 Goals were multi-year goals, and they will be continued for FY24-25. The draft FY24-25 Goals will be presented for discussion at an upcoming Finance Committee meeting. He asked each Commissioner what they would like for the County to accomplish in

FY24-25, as well as what they believe are the three major issues or challenges facing the County and what role they think the Board should play in addressing these issues.

Commissioner Lloyd Griffin said he would like to see the City and County have a joint stormwater plan for Halstead Boulevard. Commissioner Sean Lavin agreed.

Commissioner Jonathan Meads said the Board and staff need to continue to look at areas to alleviate staffing issues. He said Solid Waste is currently looking into subcontracting long distance hauls, but he thinks we should look at other areas as well, such as janitorial. Mr. Hammett said when staff performs the maintenance study they may look into potentially starting to contract janitorial services out. As janitorial staff retire or leave, we can look at contracting out certain buildings. It will all be part of the analysis. Chairman Jordan said they have been trying to contract janitorial out at the jail and it is not working out as well as they thought it would. Commissioner Griffin noted that the Department of Social Services tried several years ago and it did not work out so well for them either.

Mr. Hammett said it is very important for staff to do a survey so employees can give insight on the cleanliness of their work areas. If there are complaints, staff can document, and try to address the issues. If we can't address the issues, we can go another direction. He said if the County moves toward contracting out janitorial services, at least partially on the frontend, if we have problems with the contract, we can get a new contractor.

Commissioner Lavin said he thinks we need to look carefully at some of the growth that is happening in the county and make sure that we are addressing it in a responsible manner. He said people move here because of the lifestyle and being able to get out in nature. We need to balance some of the needs we have for housing with ways that we can promote it in the areas that we want it. The redevelopment of the hospital site is also one of his goals. Commissioner Lavin said he would love to have our meetings recorded and posted online. He also would like to see a no tax increase budget approved.

Commissioner Davis said he would like to see more pressure by the Economic Development Commission. He would also like to see more pressure put on mental health, because he sees a woeful need of mental health in Pasquotank County. He said when it comes to drainage the Halstead Connector has been one of the best and worst things to happen in a long time. He said if the proposed roundabouts come to pass on Hughes Boulevard, someone needs to make sure that they don't build a dam on both sides of the road like they did for the Halstead Connector, because it has been a huge mess. He noted that he is against installing roundabouts.

Commissioner Griffin stated that he would like to see the Morgan's Corner project put in the STI as our #1 project.

Mr. Hammett asked what the board believes are the top three issues/challenges facing the County, and secondarily, what role should the Board play in addressing those issues.

Commission Griffin said he believes mental health is a top issue.

Vice-Chairman Overman said the Board's inability to work efficiently with the City on projects. He said if we can work together, we have a better chance of receiving regional funding.

Commissioner Davis feels mental health and jobs are challenges we are facing. He said he would like to see the hospital go to some kind of organization that would be job producing, like a school, veteran's hospital, teaching facility or rehab facility. He said we need to be really careful about what we do with it.

Commissioner Shaw said he feels that affordable housing and workforce housing is a challenge.

The retreat was adjourned at 2:30 PM.

CHAIRMAN

CLERK TO THE BOARD