

Land of Sky Regional  
Council September 27, 2017  
Regular Meeting



*Please mute all electronic devices, including cell phones, laptops, tablets, and recorders. Also, Delegates are requested to state their names when moving on orders of business. Thank you!*

**AGENDA**

- I. Call to Order
- II. Invocation
- III. Pledge of Allegiance
- IV. Roll Call
- V. Modification and Approval of Agenda
- VI. Public Comment
- VII. Recognition of Special Guests
- VIII. Chairman's Comments and Roundtable
- IX. Approval of Minutes from the August Regular Meeting
- X. Consideration and Approval of Consent Agenda Items
  - A. August FY 2017 Treasurer's Report
- XI. Presentations/Recognition
  - A. Asheville Museum of Science (AMOS): Progress and Future – Anna Priest, Executive Director
  - B. Rise & Shine/Neighbors in Ministry: Shelia Norman, Executive Director,
- XII. Old Business
- XIII. New Business
  - A. New Salary Schedule Implementation Recommendations – Justin Hembree, Executive Director
- XIV. Executive Director's Report
  - A. Annual Banquet
- XIV. Important Dates
  - A. Annual Banquet – October 25, 2018 at Blue Ridge Community College
  - B. October 25, 2018 Board of Delegates Meeting is Canceled.
  - C. December Council Meeting – December 6, 2018 at the NC Arboretum (Library)
- XV. Adjournment



## BOARD OF DELEGATES AGENDA ITEM

- Subject:** August Board of Delegates Meeting Minutes
- Item Number:** IX. Approval of Minutes from the August Regular Meeting
- Responsible Party:** Zia Rifkin, Administrative Services
- Attachment(s):** Minutes from the meeting of August 2017
- Background:** Attached is the August 2017 Board of Delegates meeting minutes
- Staff Recommendation:** Recommend acceptance of the August meeting minutes.
- Suggested Motion(s):** Move to approve the August meeting minutes as submitted

Meeting of  
Land of Sky Regional Council Board of Delegates  
August 23, 2017

Minutes

- I. Call to Order – Chairman Larry Harris called the meeting to order at 1:00pm.
- II. Invocation – George Goosmann gave the invocation.
- III. Pledge of Allegiance - All stood as Chairman Harris led the Delegates in the Pledge of Allegiance.
- IV. Roll Call – Justin Hembree called the roll. The following members were present: Mike Hawkins, George Goosmann, Jonathan Kanipe, Larry Harris, Maggie Tuttle, Anne Coletta, Albert Gooch, Bob Davy, Barbara Volk, Alison Alexander, George Morosani, Charles Dickens, and Rich Lee. The following guests were present: Freddie Harrill and Steve Wyatt (Manager, Henderson County). Justin Hembree announced a quorum was present to conduct business.
- V. Modification and Approval of Agenda – Mike Hawkins moved to approve the agenda as presented. Bob Davy seconded and the motion carried without further discussion.
- VI. Public Comment – Chairman Harris called for any public comment. No one made any public comment.
- VII. Recognition of Special Guests – Chairman Harris recognized Steve Wyatt and Freddie Harrill.
- VIII. Chairman's Comments and Roundtable – Alison Alexander – Shared about the Town of Laurel Park including that larger meetings in the Town are held at the First Congregational Church in the room used for today's meeting. She also shared about the Town Park, which has a beautiful view of Brevard. The population of Laurel Park is 2200 year round and more seasonal. The Town's small commercial area is on US 64. She shared about the Town's water system: water is purchased from the Town of Hendersonville and redistributed through Laurel Park's system. Steve Wyatt - Shared that Henderson County's source of water comes from the City of Hendersonville and in the northern part of the county is the Asheville water system. The City of Hendersonville has water customers throughout the county. Probably half of the residents are served by the aquifer that is beneath the ground and the system includes several watershed reservoirs. Barbara Volk – Shared that most of the water comes out of Mills River and the rest gets gravity fed. Asheville water serves commercial customers in the county too. Justin Hembree – Shared that the water system can now supply Polk County through Saluda. Maggie Tuttle – Shared that the Town of Black Mountain is going through some exciting growth and there are many projects on the drawing board. The Town received a grant for the Beautification Committee that is a point of pride for the Town. Larry Harris Shared that the French Broad River Metropolitan Planning Organization (FBRMPO) Board meeting on Thursday (8/24/17) would have the final vote for the 2018-2027 Transportation Improvement Program (TIP) which includes the Blue Ridge Road Interchange. He commented that because of the amount of North Carolina Department of Transportation (NCDOT) dollars in the pipeline, right-of-way acquisition would begin in 2021 with construction slated to begin in 2022. Discussion occurred regarding the Town's Commerce Park, which is partly outside of the Town limits. It was shared that the Town has not dug a productive well in a number of years and purchases water from the Asheville system. Bob Davy – Shared that in the Town of Fletcher, with the election coming up, the Town will vote on a Mayor and Council members for District 1 and District 4 in October. He also shared that the Movie in the Park on August 5 was *Beauty and the Beast*, which drew the biggest crowd ever in the park. Another Movie in the Park is coming up on September 9. Lastly, he shared that the FABA Business Expo is combining with the 4<sup>th</sup> Annual Fletcher Family Festival coming up on Saturday, September 23. Jonathan Kanipe – Shared that in the Town of Biltmore Forest the Public Works building project is moving forward. The Town is also starting the Stormwater Masterplan. Mike Hawkins – Shared that in Transylvania County it is move-in-day at Brevard College. The College is a big part of the local economy and they expect to welcome their largest student body ever. He shared also that

the eclipse was a big event for the county and brought a lot of traffic. Rich Lee – Shared that the City of Asheville will hold municipal elections in October. Twelve candidates in total are running for election to the City Council. Early voting for the primary election begins in a month. He also shared that the City raised taxes, folks just got their tax bills, and they are mad. Barbara Volk – Shared that the City of Hendersonville has the Apple Festival coming up Labor Day weekend. A parade begins Monday (9/4/17) afternoon at 2:30pm. The City is expecting thousands of people for the event. She also shared that she is running for re-election as Mayor unopposed and four folks are running to fill two Council seats. She shared that a young man who is twenty years old, filed to run for Council. The City Charter does not list an age limit. The young man filed an appeal with the local Board of Elections and they turned him down. He then appealed to the State Board of Elections, which is not staffed yet so he went to the Appeals Court and was turned down there, as well. She shared that the situation is in the hands of the Board of Elections and the state and the City may need to delay the election. Charles Dickens – Shared that the Regional Aging Advisory Council met in Transylvania County last and heard two presentations from county staff. One was about the Paramedics program where staff visit the homes of folks aging in place to help make their homes safer. The Advisory Council also heard a presentation on a topic that is all too familiar- frauds and scams, there is a new one every time one turns around. Anne Coletta – Shared that in the Village of Flat Rock, the Park Foundation is finishing up the major trails campaign for the trails system in the park. The Village does not have the funding to complete the trails so the foundation is raising funds. In addition, at the Village Hall, the electric charging stations are complete and the official ribbon cutting happens September 5. She also shared that the Village of Flat Rock has elections this year and three seats are up for re-election. She shared that she would not run again and Sheryl Jamerson would be running for her district. Alison Alexander – Shared that Commissioner Nancy McKinley is the primary delegate on the Regional Council, having been appointed by the Town of Laurel Park after Dona Mennella resigned. Commissioner McKinley is currently in Scotland.

- IX. Approval of Minutes from the August Meeting – George Goosmann moved to approve the minutes of the August meeting. Bob Davy seconded and the motion carried without further discussion.
- X. Consideration and Approval of Consent Agenda Items – The Consent Agenda, consisting of Item A. July FY 2018 Treasurer’s Report; and, Item B. FY 2017/2018 Family Caregiver Support Program Contracts was presented for consideration. Bob Davy moved to approve the Consent Agenda as presented. George Morosani seconded and the motion carried without further discussion.
- XI. Presentations/Recognition -
- XII. Old Business –
- XIII. New Business –
- A. Pay and Compensation Study: Report and Recommendations – Justin Hembree shared with the Board that the Pay and Compensation Study is complete, the report is available, and recommendations are included for implementation. He reviewed the report with Board members and he communicated that the Executive Committee has reviewed the report and had some discussion. He reminded the Board that LOSRC contracted with Piedmont-Triad Regional Council (PTRC) for the study. A pay and compensation study was completed in 2012, but the organization never fully implemented the recommendations from that study due to lack of funding for a full implementation. However, the portion of the 2012 study that was implemented was an attempt to move long-term staff towards the midpoint of the pay scale.

Justin Hembree reviewed the parameters of the current study and noted that the labor market entities that comprised this study included local jurisdictions and other regional councils that are comparable in nature. He noted that the comparables were selected primarily to look at where employees would be recruited from or those entities that current staff might be recruited to. He shared that the majority of the positions in the organization are recruited on a statewide basis (planners, Aging staff, etc.) and include higher-level technical positions; lower level positions are generally recruited more locally. The Council of Government (COGs) agencies were included in the study as those have positions that are comparable, such as the

Ombudsman and the top planning positions. He communicated that PTRC sent surveys out to the labor market entities and requested overall salary schedules and benefit information, etc. Justin Hembree thanked the local jurisdictions that returned information requested by PTRC. From the study, he reviewed the general picture of the LOSRC workforce and noted that the charts provided in the report show how staff wages have been compressed using the pay schedule developed in 2012, which provides a compensation range of 27.5% within salary grades. Under the 2012 salary schedule, staff move through five steps. After five years, staff salaries become compressed, as there is no more movement under the 2012 plan. He reviewed the chart showing the years of employment for staff and he shared that half of the staff have been with the organization for less than five years. He also noted the relatively small workforce (50 staff) and communicated that seven staff work in the Non-Emergency Medicaid Transportation (NEMT) Call Center, created two years ago.

Discussion occurred regarding the gap in years of employment and Justin Hembree shared that you could track the economy to see staffing levels at the organization. During the economic downturn, the planning staff were down to 2-3, as the economy started to pick up, additional staff were added. Historically, the late 1990's was probably the high point in terms of the payroll. Since then it has come down dramatically but over the past few years has held steady at around 50, which is probably the sweet spot, unless the organization takes on new programs or contracts.

Justin Hembree continued the review of the report by sharing that the average salary within the comparable organizations is \$50,000 while LOSRC averages \$48,000. The study looked at comparable positions that local municipalities and LOSRC both have. However, LOSRC does not have many of the positions that local municipalities have, which is why other COGs were also included in the study.

Discussion occurred that long-term employees at the management level could skew the average wage upwards. Justin Hembree explained that LOSRC does not stack up compared to the larger metro areas in the state or to the private sector, overall.

Justin Hembree communicated that while the 2012 salary schedule provides a pay range of 27.5% within salary grades, the recommendation from the PTRC study is to move to a 50% (or more) range. Other recommendations in the study include the adoption of a compensation philosophy (draft included in packet), which has been reviewed by the Executive Committee. He shared that the compensation philosophy is a statement that provides guiding principles on the way LOSRC would compensate its employees. The study also recommends market-based administration practices and to provide consistent grade differentials within the proposed salary schedule. Another recommendation is to continue the practice of moving employees up in grade until they reach the midpoint. Going forward, the need becomes how to address those employees that are past the midpoint of their salary grades and how to recognize higher performers. The study also recommends the elimination of the hiring rate and use a minimum, midpoint and maximum rate for each pay grade.

Chairman Harris requested clarification on the midpoint of the salary grades. Justin Hembree explained that depends on the position, but generally, the midpoint is the salary that an employee should receive after being in the position for 8-10 years and is competent in their job, is trained, and is meeting all performance standards.

Discussion occurred regarding the cost of health insurance for staff, which is about \$500 per month/per staff. Justin Hembree informed the Board that LOSRC is on the state's plan now. He noted also, that the study looks at base compensation. The organization's retirement plan was also discussed. Information was shared that LOSRC contributes 7.65% with a required employee match. Justin Hembree noted that as with most public entities in the state's retirement system, it is the biggest asset that any member of the Local Government Commission has.

Bob Davy cautioned about the need to be careful with pay comparability studies. By the nature of doing a study, comparing with a finite number of similar entities, there exists the possibility that the overall effect would be to raise averages as comparable entities engage in their own studies.

Discussion occurred regarding the report's recommendation to bring employees to the midpoint of their salary grade. Justin Hembree communicated that lump sum performance bonuses could be a tool, but the organization has to come up with a plan for merit-based increases. The idea behind this is that if we ever did an across the board cost-of-living increase, the entire salary schedule would shift. Bob Davy was very supportive of the idea that once an employee reaches the midpoint of their salary grade that increases are merit-based; while acknowledging that the reality would be a combination of merit-based increases and pay increases.

Justin Hembree reviewed the proposed Total Compensation Philosophy, which is structured around six key areas including sound stewardship of public funds; base pay that attracts and retains high-performing employees; access to health care; contributions toward a sound retirement plan; professional development opportunities that contribute to personal and organizational growth; and, practices that support an effective and flexible workplace. The Proposed Salary Schedule was also reviewed with the Board. The schedule identifies each pay grade, the minimum to maximum ranges and whether that grade is exempt or non-exempt from the Fair Labor Standards Act (FLSA). Justin Hembree communicated that some small revisions would be made to specific job titles on the schedule to simplify those and make the schedule more general. The proposed salary schedule does increase the minimum to maximum range within each grade to 50%, as recommended by the study.

Chairman Harris called for a motion to adopt the Total Compensation Philosophy statement and the proposed Salary Schedule, allowing for small revisions to job titles; and, he suggested an implementation date of on or before January 1, 2018. Chairman Harris communicated that there would also be a budget adjustment to follow implementing the salary adjustments. Justin Hembree shared that the 12-month implementation funding level was \$120,000 to bring employees up to the proper place in the new schedule.

Charles Dickens moved to approve the Total Compensation Philosophy and the proposed Salary Schedule and to suggest an implementation date of on or before January 1, 2018. George Goosmann seconded the motion.

Justin Hembree shared that when looking at costs, when we switched over to the state health insurance plan the organization realized \$120,000 in savings per year and we continue to see those savings. He explained that that is where the cost for the implementation and recurring cost would be allocated. He shared that the other thing to keep in mind is that increases would also be allocated to the specific programs that fund staff salaries.

Discussion occurred regarding the total labor cost to the organization and the increased cost to the organization through approval of the proposed salary schedule. Justin Hembree informed the Board that LOSRC's total labor cost per year is \$1.5 million and by instituting the proposed schedule, those costs would increase by one to two percent. He shared also that the proposed costs for implementation were based on longevity versus the number of year employees have been in their specific (current) positions. He clarified that it would cost \$115,000 per year (or one to two percent of total labor cost), which would provide a sizable increase until employees move towards the midpoint of their pay grade. Some years may have smaller adjustments. He noted that once policy is developed, the organization would also need to reward for performance-based activities.

With a motion and second on the floor, the Chairman called for a vote and the motion passed.

#### XIV. Executive Director's Report –

A. Annual Banquet - Justin Hembree shared that the Annual Banquet is coming up on October 25 and will be held at Blue Ridge Community College. The Board's October meeting is also scheduled for the 25th; that

meeting would be canceled in order for Board members to have more flexibility with their schedules on the day of the banquet.

B. Broadband Summit– Justin Hembree shared that a Broadband Summit is under consideration as there has been interest from members of the General Assembly and others to discuss broadband issues (especially in rural areas).

C. Workforce Summit – Justin Hembree shared that Workforce Development is collaborating with the Richmond Federal Reserve Bank to present a Workforce Summit planned for Monday, November 29. More information to follow.

D. NADO Innovation Awards – Danna Stansbury shared that LOSRC has been notified that it is the winner of three National Association of Development Organizations (NADO) Innovation Awards. These competitive awards recognize organizations that demonstrate innovative approaches to economic and community development. The award winners for 2017 are Mountain Mobility's Ridership Independence for the Disabled and Elderly (RIDE) Program; the Area Agency on Aging's Community-Led Fall Prevention; and, Workforce Development's Backpacks to Briefcases (B2B). Justin Hembree shared that NADO is gearing up to use the B2B program as a national model.

XV. Important Dates – The next Board meeting will be Wednesday, September 27, 2017 and will be hosted by Transylvania County.

XIV. Adjournment – Charles Dickens moved to adjourn the meeting. Anne Coletta seconded and the meeting stood adjourned.



## BOARD OF DELEGATES AGENDA ITEM

- Subject:** August FY 2017 Treasurer's Report
- Item Number:** XI. Consent Agenda, Item A
- Responsible Party:** Vickie Thomas, Finance Director
- Attachment(s):** August FY 2017 Treasurer's Report
- Background:** Attached is the August FY 2017 Treasurer's Report. The report outlines year-to-date revenues and expenditures. Also included is cash balance informaton, fund balance reporting, and member dues information.
- Staff Recommendation:** Recommend acceptance of the August FY 2017 Treasurer's Report.
- Suggested Motion(s):** The Treasurer's Report, if not pulled, will be accepted as part of the motion to approve the consent agenda.

**Land of Sky Regional Council  
Treasurer's Report  
August, 2017**

	<u>Amount</u>	% of Budget
<b><u>YTD Report of Receipts &amp; Expenditures</u></b>		
Total Annual Budget	<u>\$ 12,515,870</u>	
Year-to-Date Revenues	\$ 1,111,660	8.88%
Year-to-Date Expenditures	(911,941)	7.29%
Grant/Contract Cash Balance	<u>\$ 199,719</u>	
Year-to-Date Target Percent		16.67%

**Cash Balance Report**

Total Cash Balance at beginning of month	\$ 2,246,829
Cash Received during month	1,352,711
Cash Expenditures for month	<u>(971,719)</u>
Total Cash Balance at end of month	<u>\$ 2,627,821</u>

**Fund Balance Report at 6/30/16 (Audited)**

Unassigned	\$ 895,868
Restricted-Stabilized by State Statute	899,274
Total Fund Balance	<u>\$ 1,795,142</u>

**Assessments (Dues) Report**

YTD Billed to Member Governments, 1st quarter	\$ 55,440
Collected to Date	(48,768)
Balance Due	<u>\$ 6,672</u>



## BOARD OF DELEGATES AGENDA ITEM

**Subject:** Asheville Museum of Science: Progress and Future

**Item Number:** XI.Presentations/Recognition; Item A.

**Responsible Party:** Anna Priest, Executive Director

**Attachment(s):** N/A

**Background:** The Asheville Museum of Science (AMOS) is Western North Carolina's home for experiential science learning, discovery, and exploration. AMOS strives to spark the imagination and foster lifelong curiosity.

**Staff Recommendation:** N/A

**Suggested Motion(s):** N/A



## BOARD OF DELEGATES AGENDA ITEM

**Subject:** Rise & Shine/Neighbors in Ministry

**Item Number:** XI. Presentations/Recognition; Item B.

**Responsible Party:** Shelia Norman, William Mills and Tony Meachum

**Attachment(s):** N/A

**Background:** Rise & Shine's mission is to provide tools for learning and to promote social justice and equality of opportunity. Since 1996, the Rise & Shine program has been helping economically disadvantaged and racial minority children learn about the fundamental importance of education, about their community and culture, and about themselves.

**Staff Recommendation:** N/A

**Suggested Motion(s):** N/A



## BOARD OF DELEGATES AGENDA ITEM

- Subject:** New Salary Schedule Implementation Recommendations
- Item Number:** XIII. New Business; Item A.
- Responsible Party:** Justin Hembree, Executive Director
- Attachment(s):** To Follow
- Background:** As was discussed during the August meeting of the Board of Delegates, staff is working on an implementation plan for the new salary schedule. The recommendation is also complete and will be provided to the Board prior to the meeting as a separate email.
- Staff Recommendation:** Review, Discuss and Approve the New Salary Schedule Implementation Recommendations.
- Suggested Motion(s):** Move to approve the New Salary Schedule Implementation Recommendations as presented.



## BOARD OF DELEGATES AGENDA ITEM

**Subject:** Executive Director's Report

**Item Number:** XIII. Executive Director's Report

**Responsible Party:** Justin Hembree, Executive Director

**Attachment(s):**

**Background:** The following item will be presented as part of the Executive Director's Report:

A. Annual Banquet

**Staff Recommendation:** N/A.

**Suggested Motion(s):** N/A