

Kevin Austin, Chairman of Board
David Moxley, Vice Chairman
Cliff Collins, Commissioner
Marion Welborn, Commissioner
Frank Zachary, Commissioner

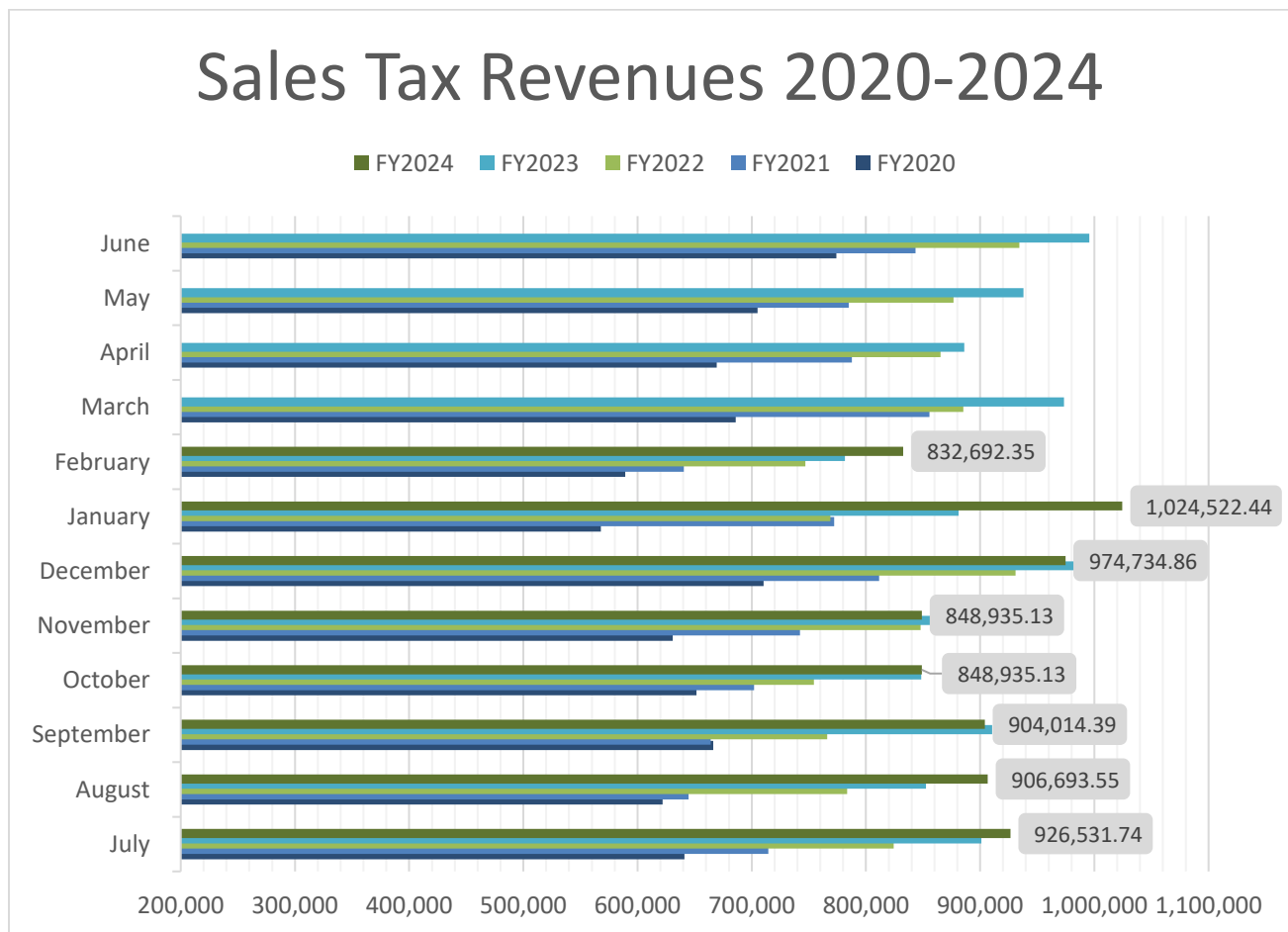


Ed Powell, County Attorney
Lisa Hughes, County Manager
Tanya Gentry, Clerk to the Board

COUNTY MANAGER’S REPORT

April 26, 2024

Sales Tax



Sales tax continues to do well and we still have 4 months to receive this fiscal year. We are on target to meet the estimate collections budgeted.

Vacancy Report

This week we have 26 vacancies. Human Services continues to have a significant number of vacancies this week, with 16. Three of the vacancies are in the Sheriff’s Office and 3 in Emergency Services. The Tax Assessor’s Office has 2 vacancies. Nineteen of these

positions have been vacant over 30 days, with 13 of them being in Human Services. Twelve of them have been vacant over 100 days. Two of these positions have been vacant over 300 days, which in accordance with the County's Personnel Policy positions vacant for 12 months are eliminated.

FY2025 Budget

Lindsey and I continue to work on the FY25 budget. Personnel makes the largest portion of the County budget and employees are our greatest assets. During FY2024, the Board approved creation of several new positions, as well as transferring and reclassifying a few positions as well. New positions were requested for FY2025: Communications Specialist (PIO) in Administration; Assistant Veterans' Services Officer in Veteran Services; Elections Assistant FT (temporary position made permanent); 8 positions in EMS for Medic 6; 4 School Resources Officers and 1 School Resource Sergeant and 2 Telecommunicators in the Sheriff's Office. There were also requests to reclassify 5 current positions to higher pay grades due to the level of work being completed and changes in job duties. Due to the funding level required to support the new positions and the reclassifications, they are not recommended.

Generally, the Recommended Budget will include a COLA based upon CPI and/or performance increases based on an average of 1.5% of salaries. The Sheriff requested a 16% pay increase for all of his employees other than Administrative staff who he requested an 8% pay increase. The League of Municipalities and the Association of County Commissioners conduct a survey annually during budget time about potential pay increases. This year's survey included responses from 235 local governments, including 39 counties. Statewide, local governments are thinking about an average COLA of 3.6% and average merit increase of 2.18%. Of local governments Yadkin's size, the average COLA is 2.77% and 1.37% merit. At this time, the Recommended Budget is including a COLA of 3.5% for all employees and a 2% merit. The merit amount is used to calculate a total dollar amount for each Department Director to reward the top performers, which are those going above and beyond expectations. The COLA increase would also be applied to the Classification and Pay Plan which would increase the starting wage.

The County contributes to the Local Government Retirement System for employees' retirement. This a percentage of salaries and is set by the State. This amount has been increasing annually and will continue to increase to support the amounts being paid to retirees. The County is required to withhold and submit 6% from each employee's paycheck and will pay 15.24% of sworn law enforcement officers' pay and 13.65% for general employees. The County is also required to contribute 5% to a 401(k) for all sworn law enforcement officers without it being a match. The County contributes a match for all other employees who contribute to the 401(k) and max the match to 2%.

Financial Summary

Exhibit A contains the Financial Summary for the General Fund through March 2024. I put a budget freeze into effect a few weeks ago to better control spending so it does not exceed revenues coming in. While currently revenues have exceeded expenditures, most of our property tax revenues have already been received. The budget freeze limits expenditures to only those that are essential to providing services.

OSHA Proposed Rule

OSHA has presented a new rule that would greatly impact fire departments, including volunteer fire departments with paid full-time or part-time staff. This rule would require fire departments to establish risk management plans, provide training and medical surveillance, establish medical and physical requirements, develop standard operating procedures and provide other protective measures enabling emergency responders to perform their duties safely. OSHA is accepting public comments through June 21, 2024. Exhibit B contains a memo from State Fire Marshal Brian Taylor in response to the proposed Rule.

EMS Projects

The Board expressed interest in obtaining quotes to grade and pave the backside of Medic 1 (Forbush) and Medic 3 (Fall Creek) to allow the medics to pull the ambulances through the garage at these two outposts. We have obtained quotes and the lowest for Medic 1 is \$43,012 and for Medic 3 is \$60,563.

We also obtained an estimate to change the hardy siding on the new Medic 2 outpost to brick and the estimate was approximately \$100,000. While there is more maintenance cost with the hardy siding, it is not cost effective to change to brick.

Social Services

The State approved creating limited regional support services for DSS a few years ago. In late 2023, the State is divided into Regions and Yadkin is in Region 3 with Alamance, Caswell, Chatham, Davie, Davidson, Durham, Forsyth, Guilford, Orange, Person, Randolph, Rockingham, Stokes and Surry.

Below is a list of services they will provide, but not limited to:

- CQI: Promoting and helping develop quality assurance programs that provide strong internal controls for agencies.
- Best practice development and sharing (both programmatic and leadership)
- Performance Management (both programmatic as well as supporting internally)
- Leadership development and growth
- Workforce development (recruitment, retention, self-care, crisis response)
- Interagency Coordination and support.
- Resource development (both regionally and statewide).
- Mentoring and Guidance.
- Compliance monitoring and support, including coordination with DHHS program representatives.
- Interagency Collaboration
- Crisis Response/Support.
- Relationship building.
- Board relations.

NC 67 Improvements

NCDOT plans to modernize NC Hwy 67 from Boonville to East Bend and make intersection improvements at Nebo Road. The improvements would widen the lanes to 12-feet with

paved shoulders to improve mobility, safety and/or to accommodate bicycles. They will begin right of way work in June 2025 and let the contract in October 2027.

Water and Sewer Projects

Last month, we submitted applications to utilize the funding approved by the General Assembly in FY2023's state budget earmarked for water and sewer projects in Yadkin County. We submitted the following projects: rate study that we had planned to use County funding, upgrade/replacement of the waterline on Catherine Lane to accommodate a fire hydrant and sprinkler system for the new outpost, SCADA system for the 21 waterline. We have been notified of the award and will be processing those agreements.

Solid Waste Recycling Grant

We have been notified that the County has received the Solid Waste Recycling Grant, however, we applied to purchase a compactor for a total of approximately \$25,000. We will receive \$15,000 with a required match. Brock has submitted a revised budget to DEQ and other required documents.

Enterprise Leased Vehicles

The County has five vehicles leased through Enterprise that have come to the end of their lease. We have the option to purchase them and have the funds available in the Vehicle Replacement Fund to do so. The costs are reasonable and the vehicles have low miles on them. We have a few more that will be at the end of their lease in July and August and intend to purchase them as well. This will leave us with three leased vehicles through Enterprise.

Legislative Goals

It's time to start thinking about Legislative Goals to submit to the NCACC. The submission process will kick-off in May. Please be thinking about what you would like to submit. In the past, the Board has submitted an average of 4-6 goals. The goals will be in any of the following areas: Agriculture, Environment, General Government, Health and Human Services, Justice and Public Safety, Public Education and/or Tax and Finance. Exhibit B contains the Legislative Goals Handbook.

Conferences and Trainings

The Upcoming Dates section below includes several Conferences and meetings that require pre-registration. As a County, we try to be good stewards of County funds and take advantage of early bird registrations, when registration fees are at their lowest point. Most of these registrations, as well as hotel registrations, have cancellation dates to receive full refunds or partial refunds. If these cancellation dates are not met, the registration fees and / or hotel fees are not-refundable.

Attending Conferences and Trainings is beneficial to employees and Commissioners, however, we all need to be cognizant of the costs involved and the commitments to attend once registered.

Please note the early bird registrations in the Upcoming Dates below and ask Tanya about cancellation dates in the event you register and are later not able to attend. Tanya is the point of contact for the Commissioners to register for Conferences and Trainings.

<i>Upcoming Dates</i>

NCACC's County Advocacy Days will be held **June 11 & 12** in Raleigh. Registration is now open. The meeting starts with a Networking Reception at 1pm, followed by Steering Committee meetings at 2pm and a Reception/Dinner starting at 6pm. The Legislative Program starts Wednesday morning at 8am at the Quorum Center before moving to the Legislative Building for meetings with our local representatives. Please let Tanya know if you are interested in attending. She will register you and make hotel reservations for June 11.

The NACo Annual Conference & Exposition is **July 12-15** in Hillsborough County, Florida. Please let Tanya know if you are interested in attending.

The NCACC Annual Conference will be held **August 8-10** in Forsyth County.

EXHIBIT A

YADKIN COUNTY FY 23-24 Financial Summary GENERAL FUND REVENUE						
REVENUES:		2024 Revised Budget	2024 March	2023 EOY Totals	2024 YTD Totals	2024 % YTD to date
NON-DEPARTMENTAL	Article 39	\$ 3,174,535.00	\$ 330,580.35	\$ 3,506,901.98	\$ 1,749,919.07	55.12%
	Article 40	\$ 3,318,935.00	\$ 336,976.87	\$ 3,457,293.08	\$ 1,786,578.06	53.83%
	Article 42	\$ 1,868,935.00	\$ 191,535.50	\$ 2,008,959.36	\$ 1,018,547.08	54.50%
	Article 44	\$ -	\$ -	\$ (51.81)	\$ (0.15)	0.00%
	Article 44*524	\$ 1,600,000.00	\$ 147,707.30	\$ 1,588,282.81	\$ 885,935.96	55.37%
	Donations	\$ -	\$ 500.00	\$ -	\$ 500.00	0.00%
	Visit NC Farm App	\$ 4,000.00	\$ -	\$ 5,798.10	\$ 898.51	22.46%
	Cable TV	\$ 65,000.00	\$ 13,668.23	\$ 62,917.70	\$ 28,377.85	43.66%
	Alcoholic Beverage Distrib.	\$ 119,300.00	\$ -	\$ 136,223.80	\$ -	0.00%
	Bottle Tax	\$ 4,300.00	\$ 372.69	\$ 4,864.82	\$ 3,677.92	85.53%
	Medicaid HH	\$ 1,587,339.00	\$ 979,445.41	\$ 1,653,376.12	\$ 1,045,704.50	65.88%
	Ins. Refund	\$ 72,442.00	\$ 24,499.62	\$ 112,051.06	\$ 99,584.28	137.47%
	SBITA Proceeds Gasb 96	\$ 406,863.00	\$ -	\$ 461,888.65	\$ -	-
	Proceeds Fin Sources Gasb 87	\$ 3,817,686.00	\$ -	\$ 4,093,732.97	\$ -	-
	Rent	\$ 80,000.00	\$ 10,416.61	\$ 104,531.05	\$ 77,929.89	97.41%
	Misc.	\$ 2,000.00	\$ (39,305.62)	\$ 11,304.19	\$ 3,550.20	177.51%
	Surplus Property	\$ -	\$ 260.00	\$ 34,622.23	\$ 2,227.56	0.00%
	Lottery Proceeds	\$ 450,000.00	\$ -	\$ 450,000.00	\$ -	0.00%
	Lottery Proceeds RR	\$ 500,000.00	\$ -	\$ -	\$ -	0.00%
	Garnishment	\$ 2,500.00	\$ -	\$ 1,059.33	\$ 265.33	10.61%
	Civil Execution Fees	\$ 2,000.00	\$ -	\$ 958.72	\$ 1,501.54	75.08%
	App. Fund Balance	\$ 4,166,262.00	\$ -	\$ -	\$ -	0.00%
FINANCE	Interest	\$ 203,000.00	\$ 57,031.61	\$ 443,879.23	\$ 495,613.36	244.14%
TAX	Tax Current	\$ 21,841,711.00	\$ 282,490.44	\$ 18,406,752.19	\$ 22,381,916.08	102.47%
	Tax Prior	\$ 360,000.00	\$ 56,259.82	\$ 415,899.39	\$ 278,631.96	77.40%
	DMV Current	\$ 2,560,000.00	\$ 243,944.63	\$ 2,890,271.10	\$ 1,953,878.70	76.32%
	DMV Prior	\$ 3,000.00	\$ 253.28	\$ 10,245.30	\$ 4,029.59	134.32%
	Foreclosure Fees	\$ -	\$ 1,437.89	\$ 14,802.02	\$ 17,222.46	0.00%
	Leasing Tax	\$ 1,500.00	\$ 25.61	\$ 1,645.88	\$ 687.95	45.86%
	Misc.	\$ -	\$ -	\$ 1,056.76	\$ 5.40	0.00%
	Interest / Penalties	\$ 180,000.00	\$ 33,037.22	\$ 183,303.96	\$ 121,176.24	67.32%
	Over / Shortage	\$ 100.00	\$ 0.76	\$ 391.76	\$ 68.96	68.96%
	Maps / Copys	\$ 1,100.00	\$ -	\$ 1,514.50	\$ 327.00	29.73%
	Town Tax Collect Revenue	\$ 9,000.00	\$ 128.42	\$ 9,406.98	\$ 11,952.46	132.81%
LICENSE PLATE AG.	LPA Fees	\$ 115,000.00	\$ 9,754.98	\$ 117,869.40	\$ 75,629.97	65.77%
	Notary Fees	\$ 27,000.00	\$ 2,706.00	\$ 35,443.71	\$ 26,863.00	99.49%
REVALUATION	App. Fund Balance	\$ -	\$ -	\$ -	\$ -	0.00%
COURT FACILITIES	Court Officer's Fee	\$ 23,000.00	\$ 1,496.76	\$ 21,570.43	\$ 11,044.50	48.02%
	Court Facility Fee	\$ 49,000.00	\$ 4,687.04	\$ 55,244.74	\$ 37,700.26	76.94%
	Jail Fees	\$ 35,000.00	\$ 1,913.57	\$ 42,854.82	\$ 15,589.26	44.54%
ELECTIONS	Elections Filing Fee	\$ 331.00	\$ 102.00	\$ 75.00	\$ 867.00	261.93%
	Elections Misc	\$ 5,500.00	\$ -	\$ 1,500.00	\$ 6,626.32	120.48%
REGISTER OF DEEDS	Register of Deeds Fees	\$ 266,000.00	\$ 22,408.64	\$ 315,596.10	\$ 219,467.90	82.51%
	Register of Deeds DP	\$ 18,000.00	\$ 1,380.61	\$ 15,433.98	\$ 11,181.68	62.12%
INTERFUND TRNS CAP.	Interfund Transfers	\$ -	\$ -	\$ 40,243.00	\$ -	0.00%
INFORMATION TECHNOLOGY	Sale of Maps/Copies GIS	\$ -	\$ 15.00	\$ 73.00	\$ 15.00	0.00%
SHERIFF	Domestic Violence Weapon	\$ 1,500.00	\$ -	\$ 1,028.00	\$ 1,142.50	76.17%
	RFA A399 Grant	\$ 16,677.00	\$ 1,009.95	\$ 71,352.25	\$ 1,245.75	7.47%
	ICATS Grant Revenue	\$ -	\$ -	\$ 23,389.00	\$ -	0.00%
	Sheriff Fees	\$ 35,000.00	\$ 3,759.19	\$ 44,640.80	\$ 23,252.14	66.43%
	Concealed Permit	\$ 32,000.00	\$ 1,135.00	\$ 42,975.00	\$ 28,265.00	88.33%
	DWI Fees	\$ 2,000.00	\$ 289.57	\$ 1,390.94	\$ 2,228.24	111.41%
	Donations	\$ -	\$ 10,100.00	\$ 3,876.97	\$ 15,740.00	0.00%
	Drug Fund Restitution	\$ 1,000.00	\$ -	\$ 1,120.00	\$ -	0.00%
	Misc.	\$ -	\$ -	\$ 134.40	\$ 211.45	0.00%
	Grant	\$ -	\$ -	\$ -	\$ -	0.00%
	NCDPS HB105 Grant	\$ -	\$ -	\$ -	\$ -	0.00%
	Grant	\$ 24,438.00	\$ -	\$ 39,249.00	\$ 24,438.00	100.00%
	Surplus Property	\$ -	\$ -	\$ 5,037.00	\$ -	0.00%
	Liaison Officer	\$ 300,000.00	\$ -	\$ 224,555.38	\$ -	0.00%
	Inmate Housing	\$ 30,000.00	\$ 39,895.00	\$ 28,515.00	\$ 102,179.00	340.60%
	Detention Center Fees	\$ 1,500.00	\$ 56.90	\$ 2,728.37	\$ 6,170.49	411.37%
	Jail Comm Vending	\$ 40,000.00	\$ 1,559.24	\$ 25,471.52	\$ 11,819.95	29.55%
	Communications Grant	\$ 22,000.00	\$ -	\$ -	\$ -	0.00%
	EMS Fees	\$ 1,500,000.00	\$ 159,567.35	\$ 1,952,952.75	\$ 1,324,773.43	88.32%
	EMS Aid Grant	\$ -	\$ -	\$ 1,000.00	\$ -	0.00%
	EM Performance Grant	\$ 38,000.00	\$ 20,625.00	\$ 20,625.00	\$ 20,625.00	54.28%
	EMS Medicaid Reim	\$ 150,000.00	\$ -	\$ 76,389.00	\$ 34,650.00	23.10%
EMS	Homeland Sec Grant	\$ -	\$ -	\$ 12,500.00	\$ -	0.00%
	ADD Utilization BSD Pymts	\$ -	\$ -	\$ -	\$ -	0.00%
	GRANT	\$ 154,642.00	\$ 18,680.62	\$ -	\$ 18,680.62	12.08%
	Donations	\$ 6,000.00	\$ -	\$ -	\$ 6,000.00	100.00%
	Fire Marshal Inspections	\$ 20,000.00	\$ 2,630.00	\$ 21,420.00	\$ 27,650.00	138.25%
	Fire Marshal Miscellaneous	\$ -	\$ -	\$ -	\$ -	0.00%
	Building Permits	\$ 130,000.00	\$ 20,600.75	\$ 131,340.77	\$ 120,181.51	92.45%

	Zoning Fees	\$ 18,000.00	\$ 6,080.00	\$ 22,700.00	\$ 28,590.00	158.83%
ANIMAL SHELTER	Animal Shelter Fee	\$ 5,000.00	\$ 298.50	\$ 4,497.79	\$ 5,049.17	100.98%
	Adoption Fees	\$ 11,000.00	\$ 1,040.00	\$ 13,085.00	\$ 12,872.00	117.02%
	Service Fees	\$ 5,000.00	\$ 315.00	\$ 5,385.00	\$ 2,625.00	52.50%
	State Reimbursement	\$ 10,000.00	\$ 2,568.40	\$ 6,154.67	\$ 6,486.50	64.87%
	Donations	\$ -	\$ 315.00	\$ 7,874.65	\$ 4,402.00	0.00%
ECONOMIC DEVELOP.	Economic Development	\$ 475,000.00	\$ 185,512.85	\$ -	\$ 276,874.21	58.29%
COOPERATIVE EXTEN.	No-Till Drill Rental	\$ 150.00	\$ -	\$ -	\$ -	0.00%
	Program Fees	\$ 500.00	\$ 560.00	\$ 1,564.61	\$ 4,800.11	960.02%
	4H Program Revenue	\$ 5,575.00	\$ 280.00	\$ 3,152.50	\$ 2,480.00	44.48%
	Fees	\$ -	\$ -	\$ -	\$ -	0.00%
SOIL & WATER	NCDA-Matching Funds	\$ 3,600.00	\$ -	\$ 3,600.00	\$ 3,600.00	100.00%
	S&W No-Till	\$ 9,000.00	\$ 576.00	\$ 10,568.05	\$ 6,181.03	68.68%
	S&W Cost Share	\$ 26,000.00	\$ 7,177.50	\$ 28,710.00	\$ 21,532.50	82.82%
HUMAN SERVICES	Health - Administration	\$ 298,110.00	\$ 19,122.58	\$ 129,288.09	\$ 122,336.26	41.04%
	Health- Nursing & Medical	\$ 103,629.00	\$ 21,523.31	\$ 106,746.27	\$ 93,122.91	89.86%
	Health- Medicaid Case Manageme	\$ 154,918.00	\$ 22,768.76	\$ 199,038.63	\$ 166,514.33	107.49%
	Health-Preparedness	\$ 31,285.00	\$ 1,995.40	\$ 17,308.80	\$ 14,873.40	47.54%
	Health- Tuberculosis	\$ 1,692.00	\$ -	\$ 303.33	\$ 1,671.00	98.76%
	Health-Child Health	\$ 218,312.00	\$ 34,271.42	\$ 301,014.67	\$ 167,616.10	76.78%
	Health-Immunization	\$ 93,661.00	\$ 8,404.97	\$ 209,747.44	\$ 58,316.90	62.26%
	Health-Maternal	\$ 117,473.00	\$ 22,997.40	\$ 109,839.97	\$ 99,241.05	84.48%
	Health-Family Planning	\$ 143,039.00	\$ 17,957.99	\$ 186,526.48	\$ 110,869.39	77.51%
	Health- WIC Admin	\$ 7,136.00	\$ 382.73	\$ 5,398.66	\$ 4,677.04	65.54%
	Health-WIC Nutrition	\$ 56,499.00	\$ 3,751.66	\$ 42,197.33	\$ 37,739.04	66.80%
	Health-WIC Client Services	\$ 144,384.00	\$ 10,372.46	\$ 124,073.20	\$ 97,779.46	67.72%
	Health-WIC Breastfeeding	\$ 20,862.00	\$ 1,393.14	\$ 13,480.72	\$ 13,796.70	66.13%
	Health - WIC Peer Counselor	\$ 19,500.00	\$ 573.04	\$ 15,506.94	\$ 6,318.83	32.40%
	Health-Viral Hepatitis Prevention	\$ 77,159.00	\$ 1,872.20	\$ 53,842.91	\$ 43,138.66	55.91%
	Health - Environmental	\$ 135,053.00	\$ 13,500.55	\$ 133,340.57	\$ 98,153.86	72.68%
	Health - Health Education	\$ 72,178.00	\$ 4,551.37	\$ 68,226.95	\$ 46,530.90	64.47%
	Social Services	\$ 3,842,093.00	\$ 245,814.61	\$ 3,695,958.38	\$ 1,993,322.49	51.88%
	Community Action-Grant	\$ 1,000,000.00	\$ -	\$ -	\$ -	0.00%
	ROAP - Elderly & Disabled	\$ 69,109.00	\$ -	\$ 73,475.00	\$ 69,109.00	100.00%
	ROAP- Rural General Public	\$ 81,684.00	\$ -	\$ 82,798.00	\$ 81,684.00	100.00%
	ROAP - Employment	\$ 732.00	\$ -	\$ 12,312.00	\$ 732.00	100.00%
JCPC	Juvenile Crime Prev Program	\$ 312,346.00	\$ 25,680.00	\$ 345,817.14	\$ 213,003.00	68.19%
VETERAN SERVICES	Veterans Services	\$ 2,000.00	\$ -	\$ 2,083.33	\$ 2,173.91	108.70%
HOSPITAL	Rent Income	\$ 47,000.00	\$ 3,932.33	\$ 58,913.46	\$ 35,342.47	75.20%
	Surplus Property	\$ -	\$ -	\$ -	\$ 1,500.00	0.00%
RECREATION	Recreation - Rent	\$ 44,000.00	\$ 5,385.00	\$ 39,159.00	\$ 31,633.50	71.89%
	Recreation-Concessions	\$ 23,500.00	\$ 2,378.00	\$ 27,053.84	\$ 15,943.25	67.84%
	Recreation - Fees	\$ 46,375.00	\$ 1,614.56	\$ 53,295.56	\$ 33,562.25	72.37%
	Grant	\$ -	\$ -	\$ 30,000.00	\$ -	0.00%
	Recreation-Miscellaneous	\$ -	\$ -	\$ 10,496.80	\$ -	0.00%
Total Revenues		\$ 57,177,650	\$ 3,670,606.54	\$ 49,706,014.30	\$ 38,181,139.95	66.78%

COUNTY OF YADKIN
FY 23-24 Financial Summary
GENERAL FUND EXPENDITURE

Department	2024 Revised Budget		2024 March		2023 EOY Actuals		2024 YTD Total	2024 % YTD to date	
Non-Departmental	\$	3,499,922	\$	254,507	\$	3,197,306.35	\$	1,687,280.43	48%
Community Action Pro.	\$	2,895,718	\$	92,949	\$	1,257,423.64	\$	983,544.24	34%
Debt Service	\$	3,302,098	\$	165,204	\$	3,672,918.10	\$	2,447,105.55	74%
Interfund Transfers	\$	2,356,724	\$	20,301	\$	6,106,368.00	\$	2,356,724.00	100%
Admin. - Board	\$	94,343	\$	6,844	\$	71,482.63	\$	54,872.73	58%
Admin. - Manager	\$	725,788	\$	69,677	\$	626,248.82	\$	501,260.82	69%
Finance	\$	343,965	\$	39,461	\$	319,272.95	\$	259,171.07	75%
Tax	\$	590,291	\$	54,815	\$	560,510.28	\$	429,404.78	73%
Revaluation	\$	220,896	\$	20,976	\$	421,429.47	\$	182,944.62	83%
License Plate Agency	\$	178,745	\$	18,415	\$	122,533.42	\$	121,556.14	68%
Court Facilities	\$	49,000	\$	3,974	\$	54,994.89	\$	35,059.92	72%
Elections	\$	244,260	\$	57,813	\$	211,082.14	\$	192,326.69	79%
Register of Deeds	\$	330,815	\$	34,329	\$	307,749.03	\$	239,428.06	72%
Information Svcs.	\$	654,343	\$	84,496	\$	466,883.91	\$	430,726.94	66%
Public Buildings	\$	725,261	\$	61,883	\$	630,019.11	\$	524,467.23	72%
Sheriff	\$	8,519,912	\$	853,890	\$	7,151,974.18	\$	6,154,490.94	72%
Emergency Services	\$	8,791,285	\$	484,921	\$	8,422,526.57	\$	3,625,006.64	41%
Fire Marshal	\$	277,576	\$	24,474	\$	231,545.70	\$	173,819.66	63%
Central Permitting	\$	633,700	\$	59,773	\$	387,659.32	\$	385,382.11	61%
Medical Examiner	\$	40,000	\$	4,500	\$	39,600.00	\$	31,500.00	79%
Animal Shelter	\$	329,465	\$	27,435	\$	295,517.78	\$	220,276.90	67%
Eco.Dev.	\$	551,500	\$	191,888	\$	76,500.00	\$	327,874.21	59%
Eco.Dev. Project	\$	25,000	\$	-	\$	25,000.00	\$	25,000.00	100%
Cooperative Extension	\$	262,595	\$	15,161	\$	207,947.06	\$	141,287.54	54%
Soil & Water	\$	415,009	\$	27,111	\$	386,445.15	\$	207,054.93	50%
Health Department	\$	2,488,594	\$	175,287	\$	1,809,460.01	\$	1,354,592.30	54%
Social Services	\$	7,219,857	\$	574,949	\$	5,983,450.97	\$	4,224,890.42	59%
Mental Health	\$	118,000	\$	-	\$	118,000.00	\$	29,500.00	25%
Dept of Juvenile Justice	\$	353,699	\$	28,086	\$	364,024.01	\$	234,051.66	66%
Veterans Services	\$	68,560	\$	7,164	\$	64,515.08	\$	48,381.66	71%
Public Schools	\$	8,200,000	\$	-	\$	7,472,753.00	\$	6,150,000.00	75%
Public Schools Cap	\$	275,000	\$	-	\$	275,000.00	\$	206,250.00	75%
Public Schools Special Cap	\$	316,640	\$	-	\$	875,443.00	\$	316,640.00	100%
Public Schools Lottery RR	\$	500,000	\$	-	\$	-	\$	-	0%
Community College	\$	462,000	\$	-	\$	369,614.73	\$	325,423.32	70%
Hospital	\$	181,830	\$	19,485	\$	168,045.69	\$	133,744.08	74%
Recreation	\$	913,259	\$	61,303	\$	797,320.14	\$	507,380.60	56%
Total	\$	57,155,650	\$	3,541,067.71	\$	53,548,565.13	\$	35,268,420.19	61.71%



EXHIBIT B

BRIAN TAYLOR
STATE FIRE MARSHAL

April 19, 2024

RE: OSHA Proposed Rule – Emergency Response Standard

To: NC Emergency Responders:

I am writing to you to provide an overview of the essential facts you need to know regarding the Occupational Safety and Health Administration’s (“OSHA”) new proposed rule – Emergency Response Standard, 29 CFR 1910.156 (the “Rule”). The Rule seeks to “reduce the number of injuries, illnesses, and fatalities occurring among emergency responders in the course of their work” by “requiring employers [i.e., fire departments] to establish risk management plans, provide training and medical surveillance, establish medical and physical requirements, develop standard operating procedures, and provide other protective measures enabling emergency responders to perform their duties safely.” Emergency Response Standard, 89 Fed. Reg. 7774 (Feb. 5, 2024) (to be codified at 29 C.F.R. pt. 1910).

OSHA is accepting public comments to the Rule until June 21, 2024, and I strongly encourage each of you to submit a comment on behalf of your department. This letter will help focus your comments on the parts of the Rule that are most concerning to you and your team and suggest some approaches for making your comment persuasive to OSHA. While the Office of State Fire Marshal (“OSFM”) strongly supports the purpose of the Rule – making firefighters safer – I also have serious concerns about the cost of compliance with the Rule and will be submitting a public comment to OSHA on behalf of OSFM.

OFFICE OF STATE FIRE MARSHAL

VOLUNTEERS

The Rule applies to every fire department with any fulltime or parttime firefighters, but it **does not** apply to fully volunteer fire departments or to any individual volunteer firefighter. The Occupational Safety and Health Division of North Carolina's Department of Labor operates a "State Plan" for North Carolina that obligates them to adopt every rule enacted by OSHA. However, OSHA rules only apply to employees, not volunteers. OSHA makes this clear in its notice of proposed rulemaking, saying that "all volunteer emergency responders who are currently excluded from coverage under the OSH Act should expect that they will continue to be excluded from the scope of this rulemaking." Emergency Response Standard, 89 Fed. Reg. 7799. The North Carolina Department of Labor does not currently enforce any OSHA regulations against volunteer firefighters.

I have had conversations with officials within the North Carolina Department of Labor who assured me that they have no intention of changing their approach to enforcement of OSHA regulations and will not seek to enforce the Rule against volunteer fire departments. However, circumstances may change, and the Department of Labor has the authority to enforce OSHA regulations against volunteer fire departments if they determine that an individual volunteer firefighter would properly be considered an employee under federal law. OSFM's legal counsel has researched the underlying federal law and concluded that volunteer firefighters in North Carolina are unlikely to be considered employees under the significant remuneration test used by federal courts to determine if a volunteer should be classified as an employee.

However, volunteer fire departments, and individual volunteer firefighters, should still have a basic understanding of the Rule because it contains many new requirements for incident response operations. As you know, there are many instances in which volunteer firefighters work

alongside career and parttime firefighters in combined operations. Accordingly, volunteer fire departments should achieve and maintain a working understanding of how the Rule will affect the operations of career fire departments to ensure that they work effectively with their career counterparts in combined response operations.

PRE-INCIDENT PLANNING AND OPERATIONS

Emergency Response Program: Fire departments must establish a written Emergency Response Program (“ERP”) that promotes clear understanding and knowledge of emergency procedures by maintaining those procedures in a central plan that can be readily shared with and accessed by supervisors and employees. The ERP is intended to be a comprehensive document that includes the fire department’s plans for how it will address a multitude of factors, including an assessment of the service area and potential hazards, identification of vacant structures and other locations where a particularized pre-incident plan is needed, evaluation of the resources needed for mitigation of emergency incidents identified in the service area assessment, and establishment of tiers of responder responsibilities, qualifications, and capabilities.

Responder Participation: Fire departments must establish and implement a process to involve their firefighters in developing, implementing, and evaluating the ERP.

Risk Management Plan: Fire departments must develop and implement a comprehensive Risk Management Plan based on the type and level of services that it provides to their service areas that ensures that risks to the responders’ health and safety have been identified and evaluated. The Risk Management Plan is based on NFPA 1581 and requires a minimum PPE hazard assessment, respiratory protection program, infection control program, and bloodborne pathogen protection.



Medical and Physical Requirements: Fire Departments must establish minimum medical requirements for firefighters based on the type and level of services each responder provides, maintain a confidential record for each responder that contains certain medical information, implement a process to evaluate and reevaluate annually the ability of responders to perform essential job functions, and implement a health and fitness program. This subsection of the Rule incorporates aspects of NFPA 1582 that require (1) medical surveillance after a firefighter encounters 15 exposures to combustion products, (2) baseline medical evaluations every two years, (3) documentation of each firefighter's exposure to combustion materials and subsequent medical surveillance, (4) annual physical evaluations, (5) periodic fitness assessments every three years, and (6) establishment of fitness programs. This subsection of the Rule, like NFPA 1582, is comprehensive and may include a high cost of compliance.

Training: Fire Departments must establish comprehensive training programs that include initial training, ongoing training, refresher training, and professional development commensurate with the safe performance of their expected duties and functions based on the type and level of service provided. This subsection lists a variety of areas of training that each responder must receive but does not set a minimum number of training hours for each area, instead leaving the determination of whether a responder has been sufficiently trained to the fire departments themselves or tying compliance to relevant NFPA standards that are incorporated by reference (e.g., responders who are designated to perform interior structural firefighting duties must be trained to safely perform search and rescue operational capabilities at least equivalent to the job performance requirements of NFPA 1407).



Facility Preparedness: Fire departments must provide facilities for decontamination, disinfection, cleaning, and storage of PPE and equipment, as well as meet certain safety requirements at their facilities (e.g., safety requirements related to fire poles, slides, and chutes; interconnected hardwired smoke alarms with battery backup; and carbon monoxide alarms; and automatic sprinklers for all new fire stations).

Equipment and PPE: Fire departments must provide or otherwise ensure access to the equipment that responders need to train for and safely perform emergency services, based on the type and level of service that fire department provides. This subsection of the rule incorporates numerous NFPA standards by reference, including NFPA 1951, NFPA 1952, NFPA 1953, NFPA, 1971, NFPA 1977, NFPA 1981, NFPA 1982, NFPA 1984, NFPA 1986, NFPA 1987, NFPA 1990, and NFPA 1999. This section of the Rule also requires contaminated PPE to be kept out of passenger compartments of vehicles and cleaning and maintenance of PPE according to manufacturer instructions.

Vehicle Preparedness and Operation: Fire departments must ensure that each of their vehicles are inspected, maintained, and repaired in accordance with the manufacturer's instructions and meet certain other safety and inspection requirements. The Rule also requires fire departments to establish and implement policies and procedures for operating vehicles privately owned by their firefighters if those vehicles are used to respond directly to emergency incident scenes or to the fire department when alerted to an emergency incident response.

Pre-Incident Planning: Fire departments must determine the locations and facilities where responders may be called to provide services that need a pre-incident plan ("PIP") and develop PIPs for facilities, locations, and infrastructure where emergency incidents may occur.

INCIDENT OPERATIONS

Incident Management System: Fire departments must develop and implement an Incident Management System (“IMS”) to manage emergency incidents based on the type and level of services provided and their PIPs. The Rule defines an IMS as “a system used for managing and directing incident scene operations and activities. It includes establishing functions for managing incidents, describes the roles and responsibilities to be assumed by team members and responders, and standard operating procedures to be utilized.”

Emergency Incident Operations: Fire departments must ensure that the IMS is used in every emergency incident and that every incident has an Incident Commander (“IC”) or Unified Commander (“UC”). The IC must develop an Incident Action Plan (“IAP”) that prioritizes life safety for each incident, updates it as needed during the incident, and utilizes the information contained in the PIP. This section of the Rule also contains other requirements related to emergency operations, including but not limited to the establishment of control zones (no-entry, hot, warm, and cold), minimum staffing of incident responses, and on-scene communication. Volunteer fire departments should study this section of the Rule carefully so that they are prepared to effectively communicate with an IC or UC from a career fire department in combined incident operations.

Standard Operating Procedures: Fire departments must develop and implement standard operating procedures (“SOPs”) for emergency events they are likely to encounter in their service areas. Fire departments must also establish SOPs for situations involving unusual hazards (such as downed power lines, natural gas leaks, bomb threats, etc.), as well as a variety of other events and operations (e.g., incidents beyond the capability of the fire department, vehicle operations, radio communications, vacant structures, evacuation, and Mayday situations).



POST-INCIDENT EVALUATION

Post-Incident Analysis: Fire departments must promptly conduct a post-incident analysis (“PIA”) to determine the effectiveness of the department’s response after a “significant event” such as a large-scale incident involving multiple departments, a significant near-miss incident, a responder injury or illness requiring off-scene treatment, or a firefighter fatality. The PIA must include an evaluation of the department’s Risk Management Plan, IMS, PIPs, IAPs, and SOPs for accuracy and adequacy.

Program Evaluation: Fire departments must evaluate the adequacy and effectiveness of their ERPs at least annually or upon the discovery of deficiencies and determine if the ERP was implemented as designed or if modifications are necessary to correct deficiencies. Fire departments must also produce written timelines for implementing recommended changes to the ERP as soon as feasible.

ADDITIONAL REQUIREMENTS

The Rule also adds a requirements for fire departments to (1) distribute portable fire extinguishers of Class K extinguishing agent for use by responders so that the travel distance from the Class K hazard area to any extinguisher is 30 feet or less; (2) ensure that standpipe system inlet connections and fittings at their stations are compatible with, or adapters are provided for, the fire hose couplings that pumps water into the standpipe system; and (3) ensure that sprinkler system inlet connections and fittings at their stations are compatible with, or adapters are provided for, the fire hose couplings that pump water into the sprinkler system.

ASSISTANCE WITH SUBMITTING COMMENTS TO OSHA

As I noted above, I strongly recommend that each of you submit a public comment to OSHA that specifically states your objections to the Rule and any concerns you have about how

the Rule will affect the operations of your fire department. OSHA will not seriously consider any comment that simply states that you do not like the Rule – you must specifically explain why and how the Rule will negatively impact your department and its essential operations. For OSHA to proceed with making any rule, it must be able to show that the rule is (1) reasonably necessary or appropriate, (2) technologically feasible, and (3) economically feasible. Your comment should address one of these requirements. In my opinion, the Rule is most vulnerable to criticism on the third requirement – that it is economically feasible.

I recently met with representatives from the North Carolina State Firefighters' Association, the North Carolina Association of Fire Chiefs, and the North Carolina Association of Rescue and Emergency Medical Services to discuss the Rule and coordinate our response. OSFM is currently working with these associations to develop a spreadsheet that will help you estimate your department's costs of compliance with the Rule. Within the next month, we will send each of you a copy of that spreadsheet together with a standard comment that you can revise with the cost figures unique to your department and use as your comment submission to OSHA.

CONCLUSION

As your State Fire Marshal, I am incredibly proud of the work that you all do to protect the citizens of our State. OSFM, together with the Fire and Rescue Commission, has worked very hard to ensure that our fire departments are held to high standards and to promote the safety of our firefighters as our highest priority. Because of that work, the North Carolina Fire Service is in a better position to meet OSHA's new Emergency Response Standard than the fire services of many other states. Although the Rule is a comprehensive overhaul of the federal regulations governing our career fire departments and presents significant challenges, OSFM looks forward to assisting each of you with understanding, planning, and implementing the necessary measures to achieve



compliance. I remain committed to representing the interests of the entirety of the North Carolina Fire Service and invite you to reach out to OSFM with any questions you may have about the proposed Rule.

Respectfully,

Brian Taylor

Brian Taylor
State Fire Marshal

