

NEWBERRY COUNTY COUNCIL
FINANCE COMMITTEE MINUTES

September 12, 2022

The Newberry County Council Finance Committee met on Monday, September 12, 2022, at 6:00 p.m. in Council Chamber at the Courthouse Annex, 1309 College Street, Newberry, SC, for a regular scheduled meeting.

Notice of the meeting was duly advertised, as required by law.

PRESENT: Les Hipp, Committee Member

Henry H. Livingston, III, Committee Member

Christopher Inglese, County Administrator

Karen Brehmer, Deputy County Administrator

Jacquelyn R. Lawrence, Clerk to Council

Debbie S. Cromer, Finance Director

ABSENT: Mary Arrowood, Committee Chairwoman

Mr. Hipp called the meeting to order and determined a quorum to be present.

Mr. Hipp had the invocation followed by the Pledge of Allegiance.

Additions, Deletions & Adoption of the Agenda

Mr. Livingston moved to adopt the agenda, seconded by Mr. Hipp. With no further discussion Mr. Hipp called for the vote. The vote was unanimous.

Discussion of ARPA Funds – Premium pay, Comp/Class implementation, Capital Purchases, Other

Premium Pay

Mr. Inglese stated that staff did some research regarding volunteer pay. NACO clarified that as a County that receives ten million dollars or less, that County would be allowed to use ARPA Funds for premium pay. He also asked if the dates would remain the same being, April 2020 through April 2021, and that in order to receive the increase the employee must be an existing employee.

Mr. Livingston stated that to do better with trying to keep, recruit, and maintain volunteers he would like to raise the increase from one thousand dollars to one thousand five hundred dollars. He also stated that the funds for the increases would not affect taxpayers dollars.

Mr. Hipp agrees with Mr. Livingston's statement and asked if there needed to be any additional adjustments to the other premium pays.

Committee agreed to raise each category five hundred dollars and asked that the funds be made available as soon as possible.

Mr. Livingston made a motion to bring this matter before full Council, seconded by Mr. Hipp. With no further discussion, Mr. Hipp called for the vote. The vote was unanimous.

Compensation/Classification Implementation

Mr. Inglese gave an update stating that the comp and class is continuing to move forward. The data needed has taken quite some time to obtain to be able to put into a usable format. The next step is for interviews and surveys. The consultants will be present for two days, Friday, September 30th and Monday, October 3rd to complete additional interviews. The hope is to be wrapping this project up by the end of 2022. The consultants have promised to have a cost of implementation in advance of our Executive Committee Meeting on October 11, 2022. There is not a budgeted amount for the implementation and ARPA Funds could be a good source to cover this cost for this year and the next until it could potentially be worked into the annual budget possibly from future FILOT revenues.

Committee discussed that the South Carolina Association of Counties already produces a similar manual and that would be a good starting reference. Committee requests that the manual be provided to full Council for review and comparison.

Staff stated that this manual does have some differences as far as job titles and sections that may not apply to our county but that it would be a good reference.

Capital Purchases

Mr. Inglese stated that ARPA Funds were used for some capital purchases this year that allowed the County to retire some debt and some lease-purchase promissory notes. Tommy Long will give a report at the upcoming Public Safety meeting about the age of the rolling stock. The ARPA Funds may allow an opportunity to do some catch up on the rolling stock.

Other

Mr. Inglese stated that at the upcoming Executive Committee meeting issues regarding some of the facilities will be discussed. ARPA Funds could potentially help with potential shifting and/or renovations regarding the county's current facilities.

Mr. Livingston remarked that he would like to see as much as possible being done for fire and rescue by using potentially FILOT monies so that the taxpayers are not affected by the purchases. ISO regulations require that when a vehicle hits the 10-year mark it must be removed and/or replaced no matter what the shape of the vehicle. This is frustrating as many of the County's vehicles do not need to be replaced after ten years.

Mr. Hipp agreed with Mr. Inglese that maybe the money should not be spent until after the referendum in November as the results from that could have substantial consequences to the budget moving forward.

Committee would like a rolling stock report from Tommy Long with Public Safety and see if the needs may be deferrable until after the referendum.

Mr. Inglese added that Economic Development's road project at MCCP1 will finish up later this year. There have been previous discussions about timbering work. There is going to be a need for some revenue to get the pad sites ready. Staff will be making a recommendation of a certain amount to commit to getting those sites ready.

Mr. Livingston agree that to make the sites available to serious investors the sites need to be completely cleared.

Mr. Hipp agreed.

Discussion of Building Permit Fees

Ron Powell, Director of Building and Inspections reported that after checking with other neighboring counties, they are using the same ICC evaluation calculation that Newberry is using. Some are using a current value, and some are using values from a year or two ago. The ICC changes the values twice a year, February and August.

Mr. Hipp stated that when evaluating the square footage of a home, that the unheated porch space should not be calculated the same as heated space.

Mr. Powell explained that there are many levels to how these are evaluated.

Mr. Livingston reiterated that he is in disagreement with the permit fee and plan review process. The fees are too high.

Mr. Powell explained that the purpose of the plan review has great benefits as it catches potential problems, code violations, etc. before the project is built. The hope is to save the builder/homeowner additional money later. The plan review has a lot of value to it.

Mr. Hipp agrees that there should be a standard to use but that standard should have a ration. The standard should be more in line with what the construction costs are. The standard should be charged for the space built. There needs to be enough flexibility to reflect the value of the construction.

Mr. Powell stated that can easily be accomplished with a signed contract between a contractor and the owner. With that the permit would be calculated from that contract. However, getting those contracts in has been very difficult. They are not something the contractor or the owners want to share.

Mr. Livingston would like to see it done with the contracts as it will be fairer to the person paying for the permits.

Mr. Inglese stated that staff is not recommending a change but is giving information regarding several possible ways to resolve the issue of the building permits.

1. Do nothing and leave the costs and continue to implement the fees as written.
2. Provide an option to base the evaluation on a signed contract or from the ICC recommendation.
3. Use the ICC evaluation to heated space and for unheated space use half of the evaluation.
4. Use a multiplier that would be applied to the total permit fee.
5. Reduce the plan review fee. This is not recommended by staff.

Mr. Powell stated he does not want to see any changes made as there are many needs in the department that will need to be funded.

Mr. Inglese stated that since the building department is a fee for service department that the fees should be used to fund the department.

Mr. Hipp likes the idea of having a choice in how to calculate the fees, reducing the heated space 50%, and reducing the plan review fee by 50%. These changes will need to be allowed to be retroactive to July 1, 2022.

Staff requested that these changes only apply to residential permits.

Mr. Hipp made a motion to take these changes to full council by way of an ordinance, seconded by Mr. Livingston. The vote was unanimous.

Mr. Livingston asked if the documents that were supposed go online have been made available. The copying fees need to be reduced back to where they were. Committee is recommending that this matter be brought to full council to review having the copy fees reduced.

Mr. Livingston made a motion to have the copy fees reduced and to include any change in costs after the implementation of the software, seconded by Mr. Hipp. Vote was unanimous.

Discussion of Multi Factor Authentication

Dustin Tucker, VC3, spoke regarding multifactor authentication. The County needs to move forward with cyber security. The number of cyber-attacks is growing and is closer than you would think. The hackers are going after businesses and people.

MFA (Multi-factor authentication) is a method verifying users' identities before granting them access to a system. The system uses two or more factors such as.

1. Something you know: password, PIN, security questions
2. Something you are: facial/voice recognition, fingerprint
3. Something you have: SMS/text, phone app, token/smartcard

Due to the following statistics, Newberry County should consider MFA.

1. 60% of phishing messages target Office 365 credentials

2. An average of 57 confidential records are lost every second. Totaling 5 million per day.
3. 90% of all successful cyberattacks start in email.
4. The average cost of a data breach is \$4.24 million.
5. The average breach is not detected until about 200 days after it happens.
6. The average ransom payment rose in 2021 to \$570,000.

Cyber insurance is requiring MFA to cover businesses.

The systems that should take priority would be.

1. Any internet-facing service: Office 365, VPN's, hosted platforms
2. Systems housing sensitive data: Financial info, CJIS, HIPPA
3. Critical Infrastructure: Firewalls, servers
4. Administrative accounts: IT admins
5. Workstations: Individual user PCs

MFA is a native feature inside Office 365 with the Microsoft Authenticator App or text messaging.

Employees would be asked to receive an initial text when logging into their email and every month or two months after that. This would be asked of the employee even if they do not have a county phone. Each employee agreeing to this option would potentially save the county around \$70,000.

Mr. Livingston has concerns about using personal phones, however, the cost of putting a county phone in everyone's hand is a huge expense. FOIA is something that employees would have to deal with should they use their personal phone for any County business.

Mr. Tucker responded that the only thing the employee would receive on their phone is a text that has a five number access code to be able to log into their email account. There would not be any County data transferred to the personal phone.

Staff recommends that no county business be conducted on an employee's personal cellphone.

Committee would like a legal opinion regarding the matter. Also, that this matter needs to be taken to full Council for further discussion.

Staff suggested that possibly legal council could come up with a waiver for personnel to be able to use their personal phones.

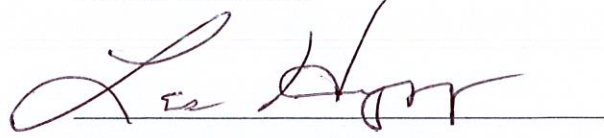
Public Comments

No Public Comments were made.

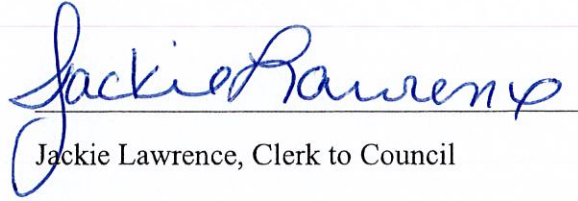
Adjournment

Mr. Livingston moved to adjourn the meeting, seconded by Mr. Hipp. The meeting adjourned at 8:28 p.m.

Finance Committee

A handwritten signature in black ink, appearing to read "Les Hipp", written over a horizontal line.

Les Hipp, Committee Member

A handwritten signature in blue ink, appearing to read "Jackie Lawrence", written over a horizontal line.

Jackie Lawrence, Clerk to Council

Minutes approved: October 19, 2022