MINUTES

COUNCIL FINANCE, HUMAN RESOURCES and CITIZEN APPOINTMENT COMMITTEE

Monday, August 24, 2026 – 11:00am
City Hall Council Chambers

Members Present:	Dean Lytle, Chair, Council Member Pamela Holder, Vice-Chair, Council Member (arrived 11:09am) Susan Miller, Citizen Member
Members absent:	Maureen Copelof, Mayor, Ex-Officio
Staff Present:	Dean Luebbe, Assistant City Manager/Finance Director Kelley Craig, Human Resources Director Shawnee Cummings, Assistant to the City Manager
Guests:	Harvey Sankey
Media:	David Bradley

A. Welcome & Call to Order

Committee Chair Dean Lytle welcomed everyone and called the meeting to order at 11:06am.

B. Certification of Quorum

Assistant to the City Manager Shawnee Cummings certified that a quorum was present.

C. Approval of Agenda

Ms. Miller moved, seconded by Mr. Lytle to approve the agenda. The motion carried unanimously.

D. Approval of Minutes – July 27, 2026 Meeting

Ms. Miller moved, seconded by Mr. Lytle to approve the minutes of the July 27, 2026 meeting as presented. The motion carried unanimously.

E. Credit Card Processing Fee Discussion

Mr. Luebbe said currently, the City does not charge any processing fees if customers pay by credit card. If a customer pays by check, cash, or credit card, it costs the customer the same amount. In the FY27 budget, the City budgeted about $80,000 for credit card

processing fees. Mr. Luebbe provided the Committee with a monthly statement for reference and noted that the fees vary based on the time of year. When the City sees an influx of property taxes payments, the processing fees are much higher, but during a month where the City primarily receives utility payments, the fees are lower. He also provided the Committee with a list of municipalities from a Local Government Commission (LGC) survey that asked whether they charge credit card processing fees (Attachment A). Most municipalities included do charge credit card processing fees. He added that he is not sure why they include DOXO on this list, as it is a payment service. Staff also surveyed Weaverville, Hendersonville, Asheville, Black Mountain, and Marion. Asheville does not charge credit card processing fees. Marion and Weaverville do charge processing fees, and Hendersonville and Black Mountain are in the process of bringing a proposal to begin charging processing fees to their respective Councils.

Mr. Lytle asked what our fee would be from a percentage standpoint. Mr. Luebbe said it would be about 2.5%, and that would cover the majority of the fees. His goal is not to recover every dollar the City pays in processing fees, but to largely cover it.

Ms. Miller asked how he would manage that. Mr. Luebbe said there are a couple ways, one of which is to have the third-party company collect the fee before the amount is transferred to our account. If someone paid a $100 water bill with a 2.5% processing fee, for a total of $102.50, then only the $100 would be transferred to our account, while the $2.50 would be retained by the third-party company. The company would then bill us for the processing fees after subtracting the amount they collected, which would have a balance close to zero. Mr. Lytle asked if the fee is based on the card or on our contract with the company. Mr. Luebbe said it is based on the company that processes the transactions.

Mr. Lytle asked if we know what percentage of water bills are paid by credit card. Mr. Luebbe said about 50% pay by bank draft, which has no fee, and of the remaining half, about 35% pay by credit card. Overall, it works out to be about 20% of the water bills. Mr. Lytle asked if there is a way to know whether low-income residents pay by credit card. Mr. Luebbe said they would only be able to tell by pulling a random sample, but he would say many people pay by credit card to earn miles or cash back.

Mr. Lytle asked if we could encourage residents to sign up for bank draft to avoid incurring any credit card processing fees. Mr. Luebbe said yes, we currently encourage bank draft. Mr. Lytle said he means more of a campaign to steer people away from using credit cards and asked if credit cards are easier for us to process. Mr. Luebbe said bank draft is the easiest to process administratively, followed by credit cards, and then cash and check are the least efficient because they take more man hours. Mr. Lytle suggested a marketing campaign to get people to use bank draft. Mr. Luebbe agreed and said when he worked at Black Mountain, they requested LGC approval to send out a message to residents that said if they sign up for bank draft and maintain it for one year, they would get a one-time $20 credit to their water bill. He said they saw a big increase.

Mr. Lytle asked if we know who regularly uses credit cards so that we could send out a mailer. Mr. Luebbe said he cannot say for certain whether we could regularly know that, but he could probably find out who has ever used a credit card to pay.

Ms. Miller said she is concerned that if we add a fee to a vital public service, it could increase the number of delinquencies. She asked what the delinquency rate is for water bills. Mr. Luebbe said he does not have that answer right now and would need to check. He added that they currently have a vacancy that has affected the number of cutoffs the City is doing, and the delinquency rate is probably higher than it should be because of that. Ms. Miller asked if the cutoff is 30 days. Mr. Luebbe confirmed.

Ms. Miller said sometimes people do not have checking accounts, so they would not be able to sign up for bank draft, and it would result in inequities being built into the system. She said she is trying to think about how the public would feel about the City adding another fee onto a public service that everyone needs. Ms. Holder said she hears Ms. Miller's points, but there are options and those folks could pay by check or cash.

Ms. Holder asked if there is a fee for debit cards. Mr. Luebbe said there is a tiny fee for debit cards that isn't even worth talking about, but it is not 2.5%. Ms. Holder noted that Comporium will be charging a 3% fee starting in December and that they gave several months' notice. She suggested that when we notify people about the fee, we should provide a list of options so people know there are options that do not have a fee.

Ms. Craig asked if our payment system allows people to sign up for bank draft or if it has to be done in a different way. Mr. Luebbe said he is not sure, but people often bring in a blank check. Ms. Craig said that is a little bit of a challenge, but she knows that for some of her bills, it gives her the option to enter her banking information online.

Mr. Lytle asked Mr. Luebbe to see if it is possible to enter banking information online. He also advised planning a long runway before implementation of the fees and conducting a marketing campaign to notify people of other ways to pay. Lastly, he asked Mr. Luebbe to bring back a random sample of credit card payments for both water and tax bills to see if there is a correlation between income level and use of credit cards. The Committee agreed to revisit the analysis during next month's Committee meeting.

F. Follow-up on Ecusta Trail Advisory Board Applications and Recommendation

Ms. Cummings said two applications were reviewed at the last Committee meeting for the At-Large member vacancy on the Ecusta Trail Advisory Board (ETAB) and the Committee felt there was not sufficient information to make a decision. As a result, the Committee directed Staff to solicit inquiry questions from the Committee to both applicants. Ms. Cummings briefly covered the applicants' supplemental responses.

Mr. Lytle said his initial reaction is that we are in between planning and implementation for the Ecusta Trail and ETAB already has users with similar affiliations to Mr. Ward, while Mr. Moore's experience with implementation might be helpful.

Ms. Holder asked about Mr. Moore's doctoral studies. Ms. Cummings said he is studying how downtown revitalization affects community and economic development.

Ms. Miller said those are good points about Mr. Moore, but she kind of likes the idea that Mr. Ward lives adjacent to the trail and he has a vested interest in making sure the trail works for everyone. She added that Mr. Ward seems to be a very considered individual based on his comments, but she could support both candidates.

Ms. Holder said Mr. Moore may be a better fit for the Downtown Master Plan Implementation and Downtown Advisory Committee given his doctoral studies. She said she is not sure how his studies relate to ETAB, but there may be a hub on the trail near downtown, so there could be a connection there. Mr. Luebbe said Mr. Moore's doctoral studies do not necessarily relate, but he does not see that as a negative.

Ms. Miller said Mr. Moore's experience in contract administration with multiple agencies involved is a skill set you do not find often. She added that it would help in making sure the project is well-managed.

Mr. Luebbe added that he could be wrong, but Mr. Ward living next to the trail could cause him to give more of his personal opinions. Mr. Lytle said it could work both ways.

Ms. Holder moved, seconded by Ms. Miller to recommend the appointment of Joseph Moore to the Ecusta Trail Advisory Board to the full Council. The motion carried unanimously.

G. Revisit Staff Evaluation Program

Ms. Craig said to give a brief update on implementation of the performance management system, we are in the process of working with NEOGOV, which is the software the City uses for recruitment, onboarding, offboarding, and training. She has worked to establish a competency library that contains a long list of competencies and their definitions. Mr. Hooper identified 5 core competencies that apply across the organization and that every employee will be evaluated on, and then there are 2 supervisory competencies that supervisors will be evaluated on. Supervisors will also determine role-specific competencies that are relevant to each employee's position.

Ms. Craig walked the Committee through a sample evaluation to demonstrate what supervisors will see when conducting an evaluation in the software. She highlighted areas of interest, such as journal entries for employees or supervisors to add notes and self-evaluations. The evaluation will have a section for core competencies and role-specific competencies, where supervisors will assign scores for each. Scores of 1 (unsatisfactory performer), 2 (needs improvement), and 5 (exemplary performer) require comments from supervisors to justify the score. Scores of 3 (solid performer) and 4 (strong performer) do not require comments. Definitions for scores are provided.

Ms. Craig then focused on the goal-setting components, where supervisors can work with employees to set SMART goals, create plans to achieve them, and log progress. She is still working out how those goals will report up and support City-wide strategic goals so that information can be shared with Council at the annual priority setting retreat. Ms. Miller asked if the goals that report up will be linked to the budget, to which Ms. Craig said no, but the strategic goals will likely be linked to the budget outside of this system.

Once the evaluation is submitted, it will be routed to the reviewer's manager for review and HR will be notified. After evaluations are submitted, HR will hold a calibration session to ensure the scores are appropriate, any necessary changes will be made, and the scores will be released to employees. Employees will review their evaluations with their manager and the finalized evaluation will be submitted.

If an employee gets a 1 (unsatisfactory performer) or 2 (needs improvement) overall, they will be required to have a development plan. The development plan requires the supervisor to set goals that the employee must achieve within a certain timeframe. If the employee gets a rating of 1 (unsatisfactory performer) on a competency, they will be required to have a development plan. Development plans can be initiated at any point and do not have to be during an evaluation period.

Ms. Miller asked how many employees each supervisor will have to evaluate, as the evaluations require a lot of work and thought. Ms. Craig said most supervisors will have about 5 evaluations, with the exception of the Sanitation and Streets departments. She added that they might find a way to split up the evaluations for those departments.

Ms. Craig said the plan is to launch the system once everyone has been trained, which will allow employees to see what they will be evaluated on at the end of the evaluation period. There will be about 9 months of lead time prior to any evaluation. A 6-month check-in will be required and will aim to create a dialogue between the supervisor and employee. After the first evaluation, development plans will be part of the process. Ms. Craig added that development plans can be used in a positive way, in that they can help employees work toward developing certain skillsets or advancing their career.

Mr. Lytle asked how write-ups are tied into the system. Ms. Craig said it would be in the form of a development plan, but not in the first year. For the first year, it will remain as coaching and then supervisors can add journal entries. Mr. Lytle asked if that is treated as a formal warning. Ms. Craig said as part of our personnel policy, coaching is the first step, so yes it would be a formal warning. Mr. Lytle asked if it will be housed in the software. Ms. Craig said she would like it to be. She can add journal entries for anybody, so if a supervisor wants it documented, she can add coaching instances in the system.

Ms. Miller asked if City Council will use the software to review Mr. Hooper's performance. Ms. Craig said she is not sure if we can do that because if someone is assigned multiple managers, they will be able to see what everyone else has entered and she does not think that is how they want the system to be built. She said she will have to ask the training consultant if they have dealt with that before.

Mr. Lytle said he would be interested in seeing an overall snapshot of the performance reviews on an ongoing basis. It would not have any names, but would show how many people were unsatisfactory performers and what reviews look like in each department.

Ms. Craig said they are still working on a policy to surround this process and exploring options when it comes to pay-for-performance. She added that the budgeted amount could vary from year to year, so she is looking at other organizations' policies. Mr. Lytle suggested tying the amount to the City's budget and making it a certain percentage.

H. Public Comment

Harvey Sankey said the evaluation system is great and asked what happens if someone performs well in their probationary period and then performance goes downhill. Ms. Craig said they would be put on a development plan, performance would be monitored, and they could also extend the probationary period. Mr. Sankey asked how many people will be evaluated, to which Ms. Craig said about 150, as the Fire Department wants to include their part-time employees as well. Mr. Sankey had additional questions regarding merit increases. The Committee said it will be discussed at a later date.

Mr. Sankey said for the ETAB appointment, it would be valuable to have someone with a different approach and different skill set. He also asked regarding the Parks, Trails, and Recreation Committee, if it would be better to have a separate Recreation Committee.

I. Set Date for Next Meeting

The next regular meeting is scheduled for Monday, September 28, 2026, at 11am.

J. Adjourn

There being no further business, the meeting was adjourned at 12:18pm.

Minutes Approved: September 28, 2026

X _____
Dean Lytle, Chair, Council Member or
Pamela Holder, Vice Chair, Council Member

X Shawnee A. Cummings
Shawnee Cummings
Assistant to the City Manager

MUNICIPALITY	CARD FEE
ANDREWS	DOXO-VARIES PER TRANSACTION
ASHBORO	$2.50
ASHEVILLE	Fee determined by pymt method. No fee phone
BANNER ELK	VAIRES PER TRANSACTION
BLOWING ROCK	$3.95 & $200 LIMIT PER TRANSACTION
BOONE	DOXO-VARIES PER TRANSACTION
BREVARD	UNKNOWN
BRYSON CITY	DOXO-VARIES PER TRANSACTION
BURLINGTON	3.95%
BURNSVILLE	3%
CANTON	VARIES PER TRANSACTION
CARY	NONE
CHAPEL HILL	DOXO-VARIES PER TRANSACTION
CHARLOTTE	$1.10
CONCORD	$2.99
DURHAM	3.15%
FLETCHER	VARIES PER TRANSACTION
FRANKLIN	NONE
GASTONIA	Online or by phone $3.00. Kiosk $2.95 OR 3.15%
GREENSBORO	2.95%
HAVELOCK	3.75%
HENDERSONVILLE	$2.99 PER $300
HICKORY	VARIES PER TRANSACTION
HIGH POINT	NONE
KANNAPOLIS	$3.25
KING	2.95%
LAUREL PARK	UNKNOWN
MAGGIE VALLEY	4.50%
MARION	3.70%
MARS HILL	DOXO-VARIES PER TRANSACTION
MARSHALL	DOXO-VARIES PER TRANSACTION
MILLS RIVER	VARIES PER TRANSACTION

MOORESVILLE	NONE
MOUNT HOLLY	$2.00
MURPHY	DOXO-VARIES PER TRANSACTION
RALEIGH	NONE
REIDSVILLE	$2 for online and $1.25 for phone
SANFORD	2%
SPRUCE PINE	$1.75 under $60 and 3% for over
SYLVA	2.5% + $.30 per transaction
WARRENTON	$.30 for new ACH/Bank draft
WAYNESVILLE	2.95% CC AND 1.95% DC
WEAVERVILLE	$3.50 per transaction
WEST JEFFERSON	DOES NOT ACCEPT CC'S in person. DOXO - varies fees online
WILKESBORO	VARIES PER TRANSACTION
WINSTON SALEM	NONE
WOODFIN	$3 PER TRANSACTION