

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
February 26, 2018 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in regular session on Monday, February 26, 2018 at 7:00 p.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

Commissioners present were Chairman Larry Chapman, Jason Chappell, Mike Hawkins, and Kelvin Phillips. Vice-Chairwoman Page Lemel was unable to attend as she was traveling to Raleigh to attend the Social Services Working Group meeting. Also present were County Manager Jaime Laughter, County Attorney Misti Bass, and Clerk to the Board Trisha Hogan.

Media: *The Transylvania Times* – Derek McKissock

There were approximately 90 people in the audience at the beginning of the meeting, but the attendance faded throughout the meeting.

CALL TO ORDER

Chairman Larry Chapman presiding declared a quorum was present and called the meeting to order at 7:02 p.m.

WELCOME

Chairman Chapman welcomed everyone to the meeting and thanked the members of the public for participating in their local government. He introduced Commissioners and staff in attendance. He also recognized the various presenters in the audience tonight, including Board of Education and staff from Transylvania County Schools and members of the Transylvania County Honor Guard. Lastly, he recognized the candidates for elected office in attendance: David Guice for County Commissioner, Norm Bossert for NC Senate, Marty Griffin for Board of Education, Sheriff David Mahoney seeking reelection for Sheriff, Commissioner Chappell has filed for Clerk of Court, and Mike West who is working through the petition process to be on the ballot in November as an unaffiliated candidate for County Commissioner.

PUBLIC COMMENT

Don Surette: Mr. Surette announced the third annual Upper French Broad River Fest is scheduled for June 23 on the grounds next to Rosman Town Hall. The event is planned and implemented through the partnership of the French Broad River Stewards, Headwaters Outfitters, Town of Rosman and other volunteers. This year they will be assisted by AmeriCorps volunteer, Brook Burrows, daughter of Planning and Economic Development Director Mark Burrows. The family-focused event will be held from 10am-3pm and there will be a variety of hands-on activities, games, a canoe race, etc. for everyone to enjoy. Mr. Surette encouraged everyone to attend and invited support from the community and volunteers.

Bart Renner: Cooperative Extension Service Director Bart Renner referred to an article that was published in today's edition of *The Transylvania Times* which outlined a conversation had by Transylvania County Natural Resources Council during their regular meeting with regards to their request for the County to hire a Natural Resources Specialist. In that meeting, Mr. Renner was asked about the best way to move with the job description for the position. His response was that the job description should detail responsibilities not already being funded by the County through Cooperative Extension and the Soil and Water Conservation District. He reported that this was the extent of his message to the Council and that

he did not mean to speak on behalf of County Administration and apologized for any confusion his comments may have caused.

Polly Averette: Ms. Averette requested Commissioners balance some considerations as they make decisions to spend \$31 million on a courthouse with the needs of school children. She stated that the State Legislature has failed to fund public schools making NC 47th in the nation. This means if children are to be safe, and in order to care for children with severe psychological and mental issues, it is going to fall on the County's shoulders. She said if Commissioners are going to fund a courthouse, to please consider what is needed to ensure school facilities are safe and secure and ensure those children with mental issues have professional care they need to ensure children are safe when they go to school.

Norm Bossert: Mr. Bossert is a resident of Pisgah Forest and recently retired as a school administrator with 44 years experience as a professional educator. He spoke in favor of the Board of Education's request to put a large bond issue on the ballot. He commented that the schools are the heart of the community and that the future of this State and community rests on the quality of work of the teachers to prepare children for the work of the future. He stated that the world is changing and schools must have the vision to imagine where they must lead our children. Mr. Bossert was in favor of the bond being placed on the ballot because school facilities are aging and need attention to remain places where we can help children become leaders in tomorrow's job market. Schools are critical in building a vibrant economy, one what would attract new industry and good paying jobs. Best schools are needed to produce outstanding employees. This bond is about modernizing and repairing schools and bringing buildings into the challenging 21st century. He said he hopes Commissioners will vote for the bond to be placed on the ballot and also stand with the Board of Education and School System to support it.

AGENDA MODIFICATIONS

Staff requested to remove from the Consent Agenda Item IV-A Letter In Support of Proposal to Grant Authority Over Coyote and Fox Regulations to the NC Wildlife Resources Commission.

Commissioner Hawkins moved to approve the agenda as modified, seconded by Commissioner Chappell and unanimously approved.

CONSENT AGENDA

Commissioner Phillips moved to approve the Consent Agenda, seconded by Commissioner Hawkins and unanimously approved.

The following items were approved:

MINUTES

The Board of Commissioners met in regular session on Tuesday, February 13, 2018 at 9:00 a.m. At this meeting, department heads presented their six-month departmental reports in preparation for the FY 19 budget kickoff. Commissioners approved the February 13, 2018 minutes as submitted.

BENEFITS FOR CARE COALITION FTE POSITION

An established, approved full time equivalent position for the CARE Coalition has been in a job-share dynamic and therefore did not have the assignment of benefits. The position is planned to move out of a job-share dynamic into coverage by a single full-time employee, thus necessitating benefits assignment. Benefits have always been budgeted in the federal Drug Free Communities grant funds and are available to cover the expense. Per the recommendation of the Board of Health at their February 13, 2018 meeting, staff requested benefits to be assigned to the position through the use of the Drug Free Communities grant funding. The request was approved as submitted.

DISCOVERY, RELEASE & MONTHLY SETTLEMENT REPORT

Each month the Tax Administrator prepares a list of proposed releases. The Board of Commissioners has the responsibility of approving them. The January 2018 Report indicates that total tax dollars released was \$23,985.42 and refunds totaled \$13,681.44. Commissioners approved the Discovery, Release and Monthly Settlement Report for January 2018.

PRESENTATIONS/RECOGNITIONS

TRANSLVANIA COUNTY HONOR GUARD

The Transylvania County Honor Guard was invited to make a presentation to the Board of Commissioners on the work they are doing in the community. They are recognized across the region for their professionalism as an organization.

Commander Howard “Sarge” Thiele introduced the members of the Honor Guard in attendance. They were: Captain James Boatwright, Lt. Col. Billy Clark, Cpl. Johnny Martinez, Lance Cpl. Jim Bohn, Lt. Craig Adams, Sgt. Irene Williams, 1st Class Clint Williams, Master Sgt. Ray McCall, Lt. Col. Dawn Ellis, CPO Joe Parker, and Commander Doug Poad. Mr. Poad presented via Power Point on behalf of the Honor Guard. This is a summary of the presentation:

Transylvania County Honor Guard – Veterans Serving Other Veterans

Who We Are

- Nonprofit 501 (c) (3)
- Veterans living in Transylvania County
 - 28 members, all ranks/rates
 - All branches of service represented
 - Average years of service is 7.5 years, but service years range from 1-35 years
- Elected Officers
 - Commander – Howard “Sarge” Thiele
 - Vice-Commander – Ray McCall
 - Secretary/Treasurer – Doug Poad

What We Do

- Provide dignified services at veterans’ funerals at their families’ request
 - 45-50 in an average year; nearly 1,500 since inception
 - For veterans for all branches of service
 - Flag presented and Taps played
 - Flag detail, chaplain, bugler, rifleman for gun salute
- Participate in patriotic events
 - Memorial Day and Veterans Day
- More than 2,000 volunteer hours/year

The Ins and Outs (2017 Finances)

- Revenues
 - Funding support comes largely from fundraising activities
 - Local government grants from County and City
 - Direct public support from individuals and businesses
- Expenses
 - Uniforms and equipment for members, purchased and maintained
 - Travel expenses and meals
 - Ceremonial and administrative supplies

Mr. Poad thanked Commissioners and citizens for their continued support. He stated the Honor Guard is proud to honor those who have served and they look forward to many more years of service. This concluded the presentation. Mr. Thiele called for questions from the Board and audience.

Chairman Chapman asked Mr. Thiele to explain how a family would request the services of the Honor Guard. Mr. Thiele explained that usually the funeral home handling the funeral arrangements contacts the Honor Guard about conducting a service during the funeral. If the funeral home is not local, the family can contact the Honor Guard directly.

From the audience, Board of Education member Marty Griffin asked if the Honor Guard required military discharge papers from the deceased. Mr. Thiele responded yes. He said it is important to determine that the character of the deceased's service was honorable, because the Honor Guard is forbidden from conducting a service for a military veteran with a dishonorable discharge.

Commissioners thanked the Honor Guard for their presentation and for their service to the community.

FIRST CITIZENS REPORT ON TRANSYLVANIA COUNTY'S INVESTMENT PORTFOLIO

Finance Director Gay Poor reported that in December 2016 the Board of Commissioners authorized the County to enter into an agreement with First Citizens to invest idle funds in a portfolio consisting of treasury securities, agency bonds, and up to 10% commercial papers with a maximum maturity of three years, pending approval by the Board of Commissioners for each investment. The Board further approved investment of funds set aside for closure and post-closure landfill care costs in a portfolio as described above. Accordingly, the County entered into an agreement with First Citizens in January 2017 and transferred \$3,323,000 from NCCMT to the investment account.

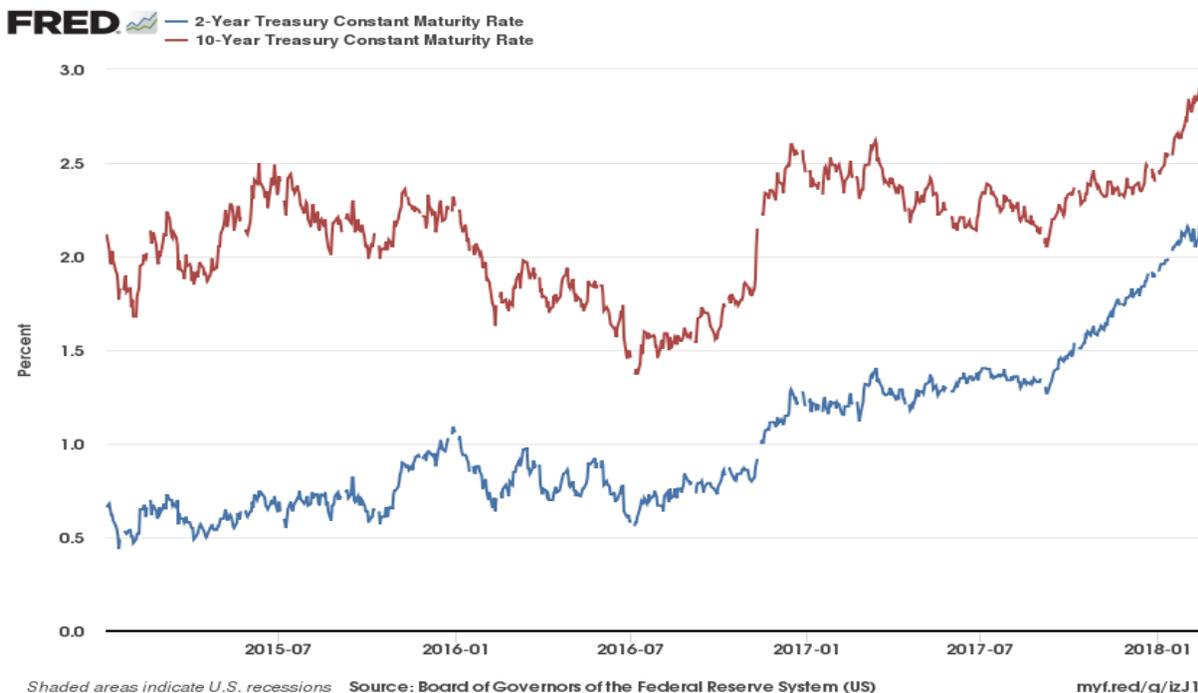
Mr. Darren Morton and Mr. Stefan Fencl from First Citizens Wealth Management gave the Board of Commissioners a brief investment review and market update on the County's portfolio. This is a summary of their presentation:

Executive Summary

- The types of securities local governments can invest in is limited
 - NCGS 159-30 provides the parameters of the types of securities that can be purchased within the County's portfolio
- Maximum maturity overlay was set to January of 2020 as a finite investment horizon to move toward
- Performance figures are through the end of calendar year 2017 on a net of fees basis
 - Current yield to maturity (how much income is driven from the portfolio the way it is currently invested) = 1.37%
 - % return year-to-date (how much income was driven from the portfolio; change in the market values of these securities over the course of time; assumes liquidation of portfolio as of 12/31/2017, whether the price is up and done) = 0.33%
 - Dollar return year-to-date = \$11,839
 - Total income (most important figure; how much income has been generated from the portfolio during 2017) = \$20,010

Yields and FOMC Moves

Graph shows where interest rates have been the last few years versus where they are today:

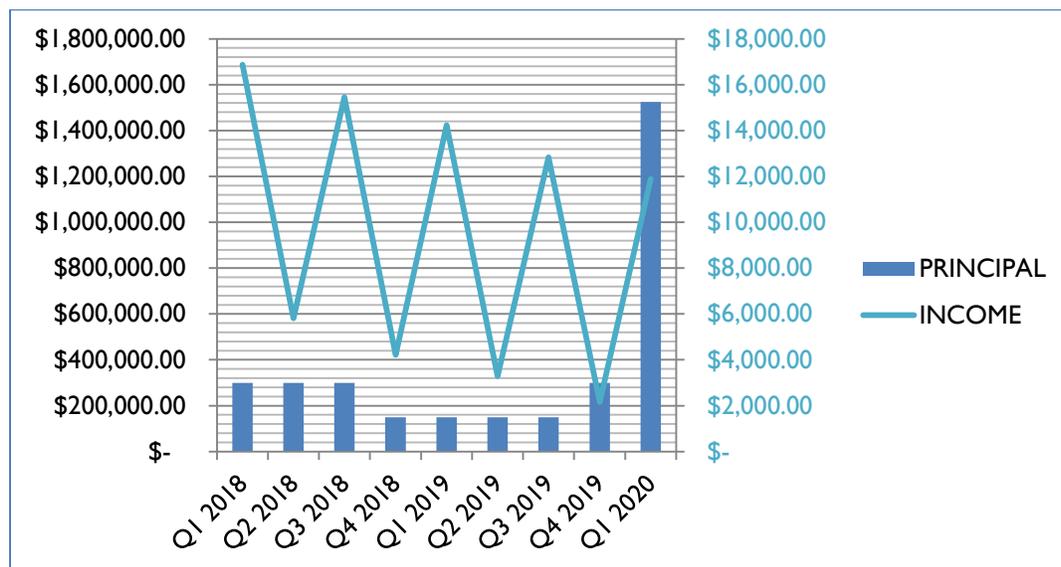


The blue line on the lower portion of the graph indicates the 2-year Treasury yield. Most of the securities in the portfolio mature in the two years, so this is a good representation of what First Citizens is seeing with the County’s portfolio investments. Since September 2017, the blue line has been consistently and gradually increasing, indicating a rate increase from 1.25% to 2.25% today. For the first nine months of 2017, interest rates were fairly flat. The acceleration of interest rates over the last few months gives the County more opportunities for reinvestment and for income levels to climb.

Securities/Income

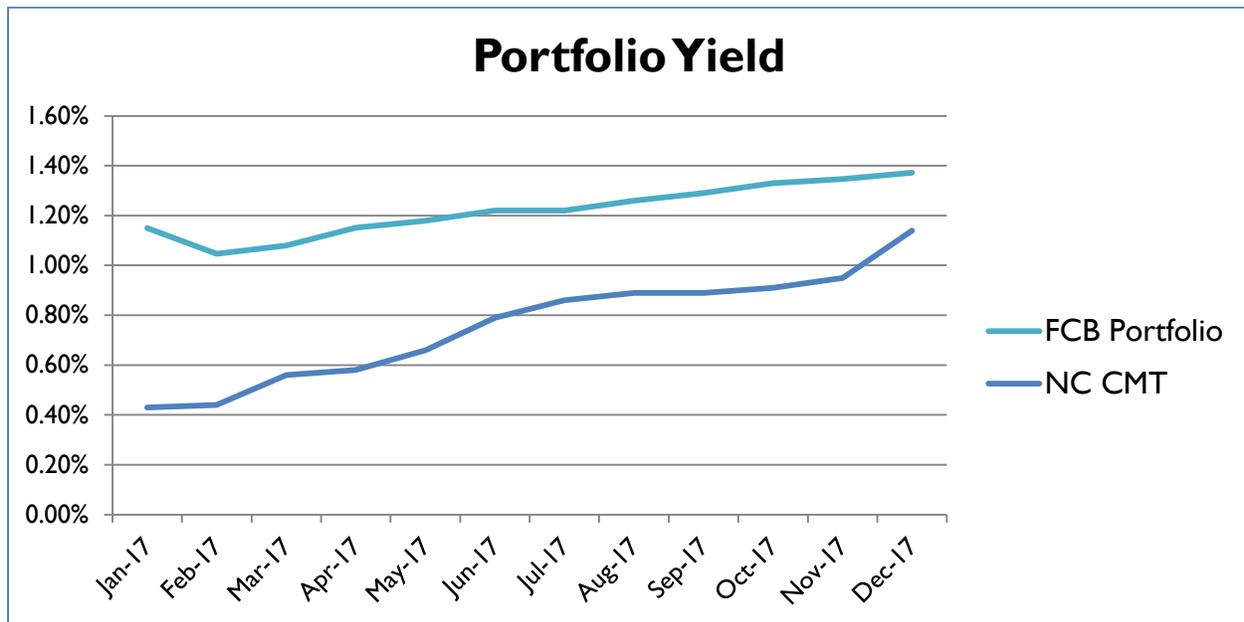
It is important to note that the Weighted Purchase Yield (current yield in portfolio) is 1.37%.

The graph indicates where the maturities are (blue bars) and the income expected from the investment:



Portfolio Yield

One of the objectives when these funds were first invested was to provide a rate of return net of fees that was higher than what was received from the Capital Management Trust Fund managed by the State. This graph (top line is current portfolio yield and bottom line is yield of CMT over last year) shows the pick-up in yield has been about 60 basis points for most of the year. Current year on the CMT is about 1.2%. The current portfolio yield is about 1.4% on a net basis.



Summary

First Citizens was charged with preserving principle, liquidity, and getting an additional rate of return above and beyond what was being earned with CMT. These goals have been accomplished.

This concluded the presentation.

Chairman Chapman inquired about the administrative fees charged by First Citizens. It was reported that the administrative fee for the investment portfolio is 60 basis points. (The Clerk learned after the meeting this figure was reported incorrectly. The administrative fee for the investment portfolio is 30 basis points, or 0.30%. Finance Director Gay Poor confirmed the correct fee with Darren Morton.)

Commissioners thanked Mr. Morton and Mr. Fencil for their presentation and for the work they and staff do to manage the County's finances.

SEMI-ANNUAL DEPARTMENTAL UPDATE: REGISTER OF DEEDS

Register of Deeds Cindy Ownbey reported on her department's accomplishments over the first six months of the fiscal year. She also reported on trends that may be reflected in upcoming budget years. This is a summary of her presentation:

Accomplishments

- Implemented Marriage Kiosk, applicants apply electronically, but appear in person to complete the process
- Began next phase of GT/GT (grantor/grantee) project; once completed will encompass indexes for real estate dating back to the beginning of the County
- Completed year 2 of the 5 year-Preservation Project; released 14 books for preservation and received back 19 books as a result of the process; causes need for additional space for storage

- Added an additional e-recording partner, Corporation Service Company, which is third e-recording vendor
- New server implemented with no issues
- Implemented legislative changes to maps; allowed recording of maps in paper format instead of mylar
- Adhered to changes required by Secretary of State for Assumed Business Names which included the State Office implementing a statewide filing system

Trends

- Continue to see increased demand for electronic resources
- Continue to see increase in number of documents; peer county comparison information was quite varied, although comparisons to counties with similar populations indicate Transylvania County processes more documents, with the exception of one county (figures skewed because coastal tourist county); would have filled more than 500 books over the last 10 years if office did not have ability to scan images
- Continue to see improvement in revenues; collected roughly 56% of budgeted revenues at halfway mark of fiscal year

Goals

- Continue phases of GT/GT scanning projects; estimated to be completed in 2021
 - Pre-1988 map index and import images
 - Pre-1960 real estate indexes and import images
- Continue the current Preservation Project; estimated to be completed in 2021
- Continue adding submitters for e-recording; ongoing project
- Begin “Thank-A-Vet” Software installed, waiting on vendor for roll out, March 2018
- Continue all customer service and training efforts to better serve our citizens
- Add shelving to record room to accommodate additional books per preservation projects; capital item in upcoming budget
- To Begin and complete the minor renovation to my customer service areas that was approved in current budget for improved safety

Ms. Ownbey submitted her office brochure as part of her backup materials and it was included in the Board’s agenda packet. This concluded her presentation.

Chairman Chapman asked Ms. Ownbey how her office remains aware and informed of law changes that impact their work. Ms. Ownbey reported that the NC Register of Deeds Association holds conferences and workshops annually to educate Registers of Deeds and staff statewide. In addition, each employee in Ms. Ownbey’s office, including herself, has earned certification levels and they must maintain the certification by taking a required number of hours of continued education on an annual basis.

The Manager asked Commissioners to compile a list of questions or comments they have about the presentation and send to her by the end of the week.

SEMI-ANNUAL DEPARTMENTAL UPDATE: SHERIFF’S OFFICE

Sheriff David Mahoney reported on his office’s accomplishments over the first six months of the fiscal year. He also reported on trends that may be reflected in upcoming budget years. This is a summary of his presentation:

Accomplishments

- Goal for average response time to be 9 minutes or less; this past year average response time hit record low of just under 7 minutes

- Although experienced slight increase in crime rate from the previous year, the crime rate is one of the lowest in WNC; this is an accomplishment of the entire community
- Exceeded State and national average for clearing cases in Investigations Division
- Hosted successful Citizens Academy this past fall
- House State Misdemeanant Confinement Inmates which generates money for the County; number of inmates housed remains constant
- Transition with Blue Line Foundation, a 501 (c) (3) nonprofit, founded by the Sheriff thanks to a generous donation; provides infrastructure for Shield Camp and DARE Camp; able to purchase property and intends to begin construction on a permanent home for both camps

Trends

- Struggling with the recruitment and retention of qualified staff; agencies competing
 - Other agencies offering greater compensation and benefits
 - Hendersonville PD \$19.84/hr
 - Henderson County SO \$19.50/hr
 - Buncombe County \$20/hr
 - Transylvania County is \$3-\$3.50/hr lower than Buncombe County
 - Training officers only to lose them to other agencies or private industry
 - Brevard College gives students credit for completing BLET; out of 15 that took course, the Sheriff's Office successfully recruited one (noted that some of these students were not from Transylvania County and moved home)
 - Part-time pool has dwindled to almost nothing
 - Increase in overtime costs
 - Concerned that as many as 8 officers will be retiring over the next 12-14 months and there will be no way to staff those positions
 - Brevard Police Department unable to fill vacant position for nearly a year; offering a substantial pay increase to address problem; expects to impact his Office
- Increase in the number and complexity of criminal incidents
 - 19% increase in the amount of evidence; 52% increase in number of evidence disposals due to maintenance of evidence room
 - Cases assigned to investigators has increased 7%
 - Average hours investigators spend investigating cases increased 11%; more hours dedicated to crimes against children
- Critical incidents requiring SRT (swat) involvement continue to rise; complex and dangerous
 - 9 in 2016
 - 20 in 2017
 - Increase in operational hours including tactical operation that lasted five days in the Pisgah National Forest for fugitive manhunt
- Training to meet the increasing demands of law enforcement
 - NC Sheriff's Education, Training and Standards Commission is looking at requiring basic training prior to beginning work; Sheriff represents WNC on this Commission; in current environment, it is irresponsible to allow those without basic training to begin working; this will heavily impact ability to recruit officers
 - Due to high visibility of law enforcement officers and interaction with the public on a constant basis, law enforcement officers must practice situational awareness
 - Heavy emphasis on making better decisions with scenario-based training (noted future proposal to come forward for Commissioners' consideration)
- Lifecycle of equipment
 - Intend to develop replacement policy/schedule for critical equipment (firearms, body cameras, etc.)
 - Operable and reliable equipment is fundamental to law enforcement officers performing their duties and for their safety

Goals

- Recruitment and retention
 - Have discussion with Commissioners to look at increasing officer pay as a way to compete locally and regionally
 - Have discussion with Commissioners on incentives such as pay steps for education, additional certifications, and attainment levels
- Add additional investigator to alleviate the caseload
- Purchase a Tactical Rescue Vehicle to enhance emergency preparedness and response and for officer and citizen safety
- Provide additional comprehensive, advanced and specialized training to include scenario-based computerized simulation training that trains officers how to react to rapidly developing incidents
- Develop and implement a vital equipment replacement program
- Enhance the Sheriff's Office awareness and understanding of the opportunities, challenges, strengths, and needs of our staff and the community through the utilization of Sheriff's Office and community data and analysis in order to make deputies and citizens safer
- The Transylvania County Sheriff's Office is committed to protecting the public, reducing the incidence and fear of crime, and enhancing the quality of life in our communities

This concluded the Sheriff's presentation.

Commissioner Chappell commented that he was proud and appreciative of the SRO program in Transylvania County. Sheriff Mahoney agreed and publicly applauded the partnership and commitment of the Board of Commissioners, Sheriff's Office and Board of Education to put the safety of children first.

Chairman Chapman inquired about the success of the tuition reimbursement program approved by Commissioners in last year's budget. Sheriff Mahoney reported that three people have taken advantage of the opportunity thus far, one of which graduated with a Bachelor's Degree. Two others are completing their Bachelor's Degree. Two intend to enroll in the fall to focus on Associate's Degrees. He noted that Brevard College offers scholarship opportunities to law enforcement officers.

Chairman Chapman thanked Sheriff Mahoney for his presentation. He noted there are a lot of challenges facing the community and Commissioners must determine how best to prioritize the needs. He commented that nothing is more important than the safety and security of citizens, especially children in schools. He commended the SRO's for the phenomenal work they perform throughout the schools. Chairman Chapman reported that most school systems across the State do not provide officers in all schools like Transylvania County does.

The Manager asked Commissioners to compile a list of questions or comments they have about the presentation and send to her by the end of the week.

BOARD OF EDUCATION: SCHOOL BOND REFERENDUM PROPOSAL

The Manager announced that the Board of Education intends to make a presentation regarding the school bond referendum. At the end of the presentation, the Manager will provide information to the Board about next steps in the process for taking a referendum to the ballot.

Prior to introducing Board of Education members and staff in attendance, Board of Education Chairwoman Tawny McCoy thanked Commissioners and the Sheriff's Office for their partnership with the School System on the SRO Program to ensure children have safe educational facilities. She also thanked Commissioners for allowing the Board of Education to make a presentation at this meeting and for their continued support of Transylvania County Schools. She recognized Board members Ron Kiviniemi, Betty McGaha, Marty Griffin and Alice Wellborn, as well as Superintendent Dr. Jeff Mcdaris, Chief Academic Officer Dr. Jeremy Gibbs, Finance Director Norris Barger, several school principals, Board Attorney Chad Donahue, and Chad Roberson with Clark Nexsen. Chairwoman McCoy stated the

Board of Education believes the passage of the bond referendum will assist Transylvania County Schools in continuing to be a leader in providing a quality and innovative education for students. They further believe Transylvania County should be a leader in providing the safest and most innovative school facilities for the benefit of students, as well as citizens and the community as a whole. She called upon Dr. McDaris to make the presentation to Commissioners. This is a summary of the presentation:

Transylvania County Schools – Capital Foundation for the Next 50 Years

History and Legacy

Dr. McDaris reported that Transylvania County has a history and legacy of having fine school facilities. He shared some pictures of former and current facilities and noted the following:

- Brevard High School
 - Current campus constructed in 1959
- Rosman High School
 - Current building constructed in 1973
 - Renovated in 2000
- Rosman Middle School
 - Current building constructed in 1949
 - Renovated in 2000

Transylvania County Schools established a mission, a vision, goals and values that it aims to adhere to. They are proud of their motto *Teaching Everyone Takes Everyone*.

History of Leadership

- First public school system west of Raleigh to implement a longer school year (1925)
- Among the first fully integrated school systems in the State
- First public high school in NC to field an integrated football team
- First public school system in NC to have a traditional comprehensive high school to be recognized as a NC School of Excellence
- First public school system in NC to receive District Accreditation
- Winner of the Trailblazer Award from NCASA as the first school district in NC to implement an accountability policy that ensures student achievement
- Considers themselves a leader in Digital Learning; first school system in NC to establish Virtual Days due to bad weather

Learning is Changing

- Smaller class sizes due to mandates, but Transylvania County already prepared
- Technology very important to learning
- More demanding graduation requirements
- More co-curricular and extra-curricular opportunities for students
- Specialized instruction for at risk and special needs students
- More emphasis on the “whole child” for social emotional well-being

Current Facilities

- Brevard High School
 - Main building constructed in 1959
 - Career and Technical Education wing constructed in 1966 and renovated in 1975
 - Other buildings constructed between 1970 and 1999
- Rosman Middle/High School
 - Main High School building constructed in 1973
 - 1949 addition is Rosman Middle School

- Old gym 1956
- Shop addition 1956
- Career and Technical Education addition in 2012

Construction Costs

Dr. McDaris reported that construction costs continue to rise in North Carolina and in the region. The average cost of all school construction in 2009 was \$127.92/sq. ft. That figure rose to \$203/sq. ft. in 2014. This represents an increase of 60% over a 5-year period, or 12%/year, equating to a dollar amount increase of \$75/sq. ft. Dr. McDaris stated these figures were provided by the NC Department of Public Instruction. It is expected that the average high school cost will increase over 70% from 2010 to 2020.

Clark Nexsen performed a conceptual budget analysis during its facilities study of Transylvania County Schools. The estimates for construction costs are:

Brevard High School

Total Construction \$29.36 million

Soft Cost \$7.8 million

Escalation Factor \$5.5 million

Total Project Cost \$42.66 million

Rosman Middle/High School

Total Construction Cost \$17.44 million

Soft Cost \$4.6 million

Escalation Factor \$3.2 million

Total Project Cost \$25.35 million

Sound Process

Dr. McDaris stated that the School System has undergone a sound process. In addition, he noted that the School System performs constant research on:

- High schools
- Economic and community impacts
- Size, learning space, program design, outcomes
- Technology, trends, social-emotional design
- Quality instructional design, population, affective and effective learning
- Peer school design and delivery of services
- Educational quality, poverty, peer systems and funding
- School safety, student retention and school choice
- Solicited and unsolicited discussion, correspondence and input by community stakeholders

Pay it Forward

Dr. McDaris stated the Transylvania County Board of Education has had thorough discussion, analyzed, researched and compared all options, and has identified the renovation and improvement of Brevard High School and Rosman High School/Middle School as the critical component for continued educational success for Transylvania for the next 50 years and beyond. On behalf of the Board of Education, Dr. McDaris requested the Board of Commissioners to place on the November 2018 General Election ballot a referendum for a school bond totaling \$68 million.

This concluded the presentation.

Chairman Chapman thanked Dr. McDaris for the presentation. He recalled that the Board of Education had identified \$92 million in critical needs for the School System. With this \$68 million bond request, he was concerned about how they intend to address the remaining needs. Additionally, this bond request addresses the needs of only three schools. Dr. McDaris stated there are a number of things happening at the State level the School System is paying attention to. There is also the possibility of a statewide bond that would be helpful to Transylvania County, although it would not be significant. In terms of addressing the other needs, the School System intends to extend the life of facilities with repairs and proper maintenance. He commented that with the bond monies taking care of the needs at the three schools, there may be opportunities to free up some dollars for the other schools. Dr. McDaris informed

that the School System has a plan to address the remaining needs, but some of those would have to be approached through a staged process.

The Manager discussed the next steps in the process. The first step is for the Board of Education to request the Board of Commissioners to request a bond referendum, which was accomplished at this meeting. The next step would be for County staff to contact the Local Government Commission to begin the process for preparing the resolution that Commissioners will need to adopt at their first meeting in June that would ensure the measure goes on the ballot. The Manager pointed out that included in the Board's agenda packet was information from the Local Government Commission and the UNC School of Government. She informed that in North Carolina, once a board of education requests a board of commissioners to place a bond referendum on the ballot, the board of commissioners is obligated to do so. Staff is prepared to walk Commissioners through this process. Staff has also prepared information for Commissioners to share with citizens about the estimated tax increase of 10.77 cents associated with the bond. The Manager noted this does not include any increase for school operating expenses. It also assumes a 4% bond rate for 20 years at FY 2018 property valuations, along with other assumptions inherent to the financial model. Over the last eight years, property valuations increased by only 1/2 %. The property tax is the County's greatest ability to generate revenues and is not growing at a fast rate.

The Manager and Dr. McDaris have discussed both the amount of the requested architectural work during the bond process and the request that the County fund the scope of work for Clark Nexsen. While there is not consensus on the proposed scope of work, there was discussion that if a scope of work could be agreed upon that there may be an opportunity for the two organizations to share in the cost associated. The timeline for the formal approval by the Board of Commissioners is not required until June; however, there is some time sensitivity for the architectural work to begin. The Manager recommended the Board direct her to work with Dr. McDaris alongside Clark Nexsen to negotiate a full scope of work for the architectural design, evaluate the total cost of architectural services, and to bring back a recommendation at a future meeting with a cost share recommendation.

Chairman Hawkins moved to direct staff to begin process to do the work that is necessary in order to bring the bond referendum onto November 2018 ballot. The motion was seconded by Commissioner Chappell. Commissioner Hawkins recognized the Board of Education for the enormous amount of time they have spent analyzing this information. He acknowledged that it is difficult to make decisions like these and was appreciative of their work. He also commended County staff for their quality of work and professionalism. County staff has an interest in doing what is right which has shown through in this process. Chairman Chapman stated there remains a lot of detail to reveal to both the County and the public. The County is responsible for school capital outlay, so the Board will be tasking the Manager to oversee the process from the County's standpoint. Chairman Chapman is concerned about the level of detail for the architectural work versus the cost which is currently proposed at over \$400,000. He said it would be a shame to spend this much money on architectural work should the bond referendum fail. The detail is needed in order to garner support from the citizens. **The motion was approved unanimously.**

Commissioner Hawkins moved to direct the County Manager to work with the Superintendent and the architect to develop a full scope of work and corresponding fee structure and bring it back to the Board for consideration as soon as possible. The motion was seconded by Commissioner Chappell. Commissioner Chappell inquired about the anticipated timeframe because there is a time pressure for approval of these items and the work to be conducted. The Manager said there are two components to this process: the architectural work and the steps necessary to ensure the referendum is placed on the ballot. The funding for the architectural work will need to be brought back before the Board as quickly as possible. This date will depend on when the parties can meet to discuss the full scope of work and fee structure and subsequently agree on a proposal for approval. The other challenge is meeting agenda deadlines for the Board meetings so that Commissioners can review information in a timely manner before being pressured to make a decision. **The motion was approved unanimously.**

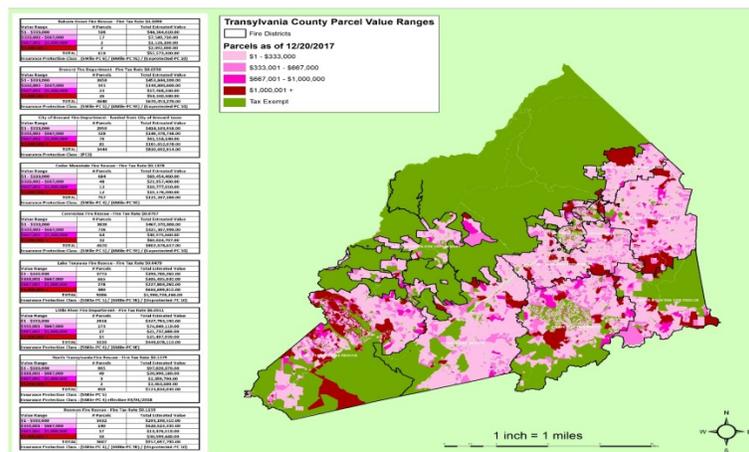
FUNDING OPTIONS FOR FIRE AND RESCUE SERVICES

The Manager presented this item. Assistant County Manager David McNeill assisted and was available for questions. In January, the Board of Commissioners heard a presentation on the Emergency Services Study. At that time, staff reported they would make a future presentation to the Board about the legal funding options available to the County for funding fire and rescue services.

Currently, the County funds fire and rescue services utilizing eight service districts with separate fire tax rates approved annually to meet the approved budget of each fire department. This method of funding results in fire tax rate disparity with the lowest rate being 0.0479 cents/\$100 valuation and the highest being 0.1378 cents/\$100 valuation. Commissioners tasked staff with providing options for funding fire and rescue services equitably countywide. This presentation will inform Commissioners of each option available. Following the presentation, staff will seek permission to engage stakeholders and citizens for input. This is a summary of the presentation:

Recap

- Emergency Services Study Commissioned in 2015
 - Varying service levels (equipment, manpower, resources)
 - Varying rates that citizens are paying for fire service (currently 4.79-13.78 cents)
- Contract terminated due to inability of contractor to complete the work to scope, but some valuable information was gleaned
- In January, staff presented an offer to begin addressing key issues for fire service by looking at how the County funds fire departments
- Fire departments contract with the County to provide fire services
 - Submit budget requests annually; reviewed by staff and Commissioners
 - Commissioners approve a budget each year
 - Currently budgets funded by looking at the property valuation by district and setting a rate for that district that will fund the budget as approved
 - Each district has separate tax for fire only in addition to the General Fund County tax
- Commissioners determine funding method by State law; the Board of Commissioners has the authority to change the funding method; changing the funding method would only affect the step of setting a separate tax rate for each fire district
- Rescue Squad is currently funded out of the General Fund
- Under current model, there is a range of property valuation from \$55.5 million to \$1.6 billion across fire districts; this contributes to the variance in tax rates citizens pay
- The map below highlights the parcel value ranges throughout the County
 - Green is tax exempt property (forest, parklands, lands in conservancy, government-owned)
 - Shades of pink indicate where the highest and lowest valued properties are located



Funding Options

The NC General Statutes allow for four different types of funding methods. The Manager reviewed the funding types, the pros and cons for each and explained what a fire tax bill would look like for citizens under each option. The property value of \$250,000 was chosen for the tax bill comparison and was calculated by averaging the median property value from the last revaluation and the median house value currently on the market.

Option A: Current Funding Method in Transylvania County (Fire Service District Tax)

Transylvania County established Service Districts for the provision of fire protection services in the unincorporated areas of Transylvania County as authorized by North Carolina General Statute 153A. Currently, there are a total of eight service districts established at different times to provide fire protection services. Approximately eight counties currently use the service district funding method according to the NC Office of the State Fire Marshal (NCOSFM).

Pros	Cons	Bill for Property Value \$250,000
Relatively easy to establish a service district (already established in Transylvania County)	Variations in property valuations within each service district resulting in inequitable tax rates (Currently 4.79-13.78 cents)	\$119.75-\$344.50 annually, depending on the district in which the citizen resides
Districts can be modified by Board of Commissioners (must meet statutory requirements)	Potential variations in level of service and services provided within each individual service district	FY 18 Tax Rate range is 4.79-13.78 cents
Tax rate can be adjusted annually by Commissioners based on approved fire department budget requests	Limited ability to address needs in districts with lower property valuations due to revenue shortage without significantly higher tax rates	
Board of Commissioners are statutorily responsible for setting tax rate and authorizing distribution of funds based on each fire department's approved budget request	Unable to utilize fire district funds derived from one district (area within the county) to support needs in areas with lower property valuations (departments are interdependent for mutual aid so if one department can't sustain due to funding it impacts others)	
Districts with high property valuations able to access better equipment and resources including ability to fund staffing while maintaining relatively low tax rate	Tax office required to parcel out properties based on respective fire districts and questions on tax bill related to fire district the property lies within	
	Funding is tied to operational response lines even though mutual aid also applies	

Option B: Rural Fire Protection District (NCGS Chapter 69-25)

Approximately 31 counties use this funding method according to the NCOSFM data and not including counties where this method is used in combination. This option is similar to Option A, including the pros and cons. The primary difference is that it is harder to adjust the district lines based on the fact that the district lines are created by referendum.

Pros	Cons	Bill for Property Value \$250,000
Tax rate can be adjusted annually by Commissioners based on approved fire department budget requests	Variations in property valuations within each district resulting in inequitable tax rates	\$119.75-\$344.50 annually, depending on the district in which the citizen resides
Board of Commissioners is statutorily responsible for setting tax rate and authorizing distribution of funds	Potential variations in level of service and services provided within each individual service district	FY 18 Tax Rate range is 4.79-13.78 cents
Districts with high property valuations able to access better equipment and resources including ability to fund staffing while maintaining relatively low tax rate	Limited ability to address needs in districts with lower property valuations due to revenue shortage without significantly higher tax rates	
	Unable to utilize funds derived from one district (area within the county) to support needs in areas with lower property valuations (departments are interdependent for mutual aid)	
	Methods to establish the district requires a petition and referendum that can be costly	
	More difficult to alter district lines to serve the citizens (improve insurance rates or response areas related to changes in resource /stations in neighboring districts) The money factor impacts best response plans for emergencies	
	Process for changes to service district lines is more complicated	
	35% of residents to get referendum is a high bar to achieve	

Option C: Fund Fire and Rescue from General Fund (NCGS 153A-149)

In data provided by the NCOSFM, 36 counties currently fund fire protection either solely with general fund revenue or a combination of other funding options listed and general fund revenue. The Transylvania County Rescue Squad is currently funded in this manner, as well as other County services. The pros and cons are different than Options A and B and overlap with Option D.

Pros	Cons	Bill for Property Value \$250,000
Tax rate can be adjusted annually to meet budget needs as approved by Commissioners based on the fire department's budget requests	Perception of taking from "rich" to give to "poor" districts. Some districts would pay more than what they currently pay (SV2 and LT), but all others would see their rate decrease.	\$150 annually
Board of Commissioners are statutorily responsible for setting tax rate and authorizing distribution of funds based on the fire departments' budget requests	City of Brevard citizens pay City taxes, some of which go to support fire protection in City limits. City residents pay County tax too, so this could create a claim of double taxation.	FY 18 Tax Rate (6 cents for all residents including City)
Every property owner in the County pays the same rate for fire and rescue services	Changes create anxiety and opposition. Perception that change in funding method represents attempt to change current contractual agreements with volunteer fire departments serving their respective communities or take control of operations (Funding method does not give additional authority to County)	
Funding method is consistent with fire departments' dependence on mutual aid from other fire departments in the County. When an incident occurs requiring fire service dispatch, in many cases more than one department responds but the property owner's taxes only go to one of the departments	Perceived loss of local volunteer fire department serving its community/district status (although method of collecting funding does not impact that)	
Removes the money factor/tax valuation limitation when determining the best response plans for emergencies so operational needs drive decisions	A reserve fund is not guaranteed for fire services under this method	
Removes the money factor/tax valuation limitation when determining the best response plans for emergencies so operational needs drive decisions		
A citizen may be in an incident/accident in an area outside his/her home district but the responding district will be the location of the incident		
Continue to contract with local fire departments to provide fire and rescue services		
Simplify process for tax office and reduce workload		

Option D: Fund Fire and Rescue utilizing a Single County-Wide Service District and Tax Rate (NCGS 1533-301 and 302)

The newly established fire and rescue service district encompasses all of the unincorporated area in the County. The County levies a single tax rate across the entire service district and allocates the revenue to fire/rescue departments based on the approved budgetary needs. Approximately five counties are using this funding method according to data from NCOSFM not including those that use this method in combination with another.

Pros	Cons	Bill for Property Value \$250,000
Tax rate can be adjusted annually to meet budget needs based on approved fire department's budget requests	Perception of taking from "rich" to give to "poor" districts (2 tax district would have an increase in rate and 6 rates would decrease)	\$180.75 annually
Board of Commissioners are statutorily responsible for setting service district tax rate and authorizing distribution of funds	Changes create anxiety and opposition. Perception that change in funding method represents attempt to change current contractual agreements with volunteer fire departments serving their respective communities. It does not change the authority Commissioners currently have to approve fire department budget requests	FY 18 Tax Rate (7.23 cents for all residents, excluding City)
Every property owner in the County pays the same rate for fire and rescue services	Perceived loss of local volunteer fire department serving its community/district status (although method of collecting funding does not impact that)	
Funding method represents fire departments dependence on mutual aid from other fire departments in the County. When an incident occurs requiring fire service dispatch, in many	Perception that this is a 'new' tax when it is not	
Removes the tax valuation in a district as the limiting factor when determining the best response plans for emergencies so operations drive decisions		
Reserve fund specifically for fire services would be required so that anything collected above approved budgets would be used for fire specifically and no other purpose		
The single service district more easily allows for the County to make sure coverage is equitable and standardized and allows the county to address deficiencies or gaps in coverage areas		
Method recognizes that a citizen may require service outside of the		

district in which they live whereas current method has that same paying into a single district		
Simplify process for tax office and reduce workload		
Continue to contract with local fire departments to provide fire and rescue services		
City residents do not pay both city and county fire services under this funding methods		

Option E (Multiple Scenarios): Fund Fire and Rescue Services utilizing a combination of Current Service District Structure, Rural Fire Protection District, Countywide Service District, General Fund Budget and/or other potential revenue sources (sales tax)

The Manager pointed out there is also the option of doing a combination of funding methods. For instance, some counties may have implemented Option A, the same as Transylvania County with varying tax rates by district, but because of disparities between the districts and the inability to fully fund them they may have levied an additional across the board tax. These funds would be used to supplement departments where needed and the funds come from the General Fund. Approximately 20 counties use some sort of combination method. Included in the Board's agenda packet was information about the various combination scenarios using the four methods described above.

The Manager pointed out that out of the 80 counties that do not use a combination method, the funding method they use is almost evenly split between Options A and B and another half split between Options C and D.

Clarification

Understanding that changing the funding method for providing fire and rescue services is complex and having these discussions sometimes creates misconceptions in the public, the Manager felt it was critical to provide some clarification.

- Changing the method to collect funding does not change how the fire departments operate
- No change to direct/response lines
- No decrease to current funding levels proposed
- No decrease in volunteers or paid staffing
- No change in contracting with existing fire departments
- No change to fire department boards, officers, chain of command
- No change to fire insurance ratings (NCOSFM does not prefer any legal funding method over another)
- There is not a new tax being proposed
 - Citizens currently pay a countywide (General Fund) tax for County services
 - Citizens also currently pay a fire tax that varies by district
 - With General Fund or flat tax options, most citizens would see a tax decrease, but some would see an increase that are now paying the lower range of fire district taxes

Next Steps

- County staff plans to post all materials on the website for all citizens and fire departments to review
- Invite all to comment on the pros and cons of each option
- Comment form available to collect comments
- Each fire department will be asked to submit in writing input on the pros and cons of each option
- After one month, all will be compiled for Commissioners' review

This concluded the presentation. Chairman Chapman called for comments and questions from Commissioners.

Commissioner Hawkins thanked Mr. McNeill for the exceptional report he prepared for Commissioners' review, especially during this time with the recent loss of his father. Secondly, Commissioner Hawkins asked Mr. McNeill to confirm that, according to the report, there are only eight counties in North Carolina that fund fire and rescue services using Option A as their only method, not including the counties that include Option A as part of a combination funding method. Mr. McNeill replied yes, noting the information came from the Office of the State Marshal. Staff did not make direct phone calls to counties to confirm.

Commissioner Chappell thanked the Manager for making the comment that Commissioners have made no decisions on any of the funding options going forward. He said Commissioners felt it was very important to understand the options available to the County. He stated strongly that Commissioners have no preconceived ideas about what they intend to do or if they plan to do anything different at all. Commissioners Hawkins and Phillips agreed and thanked Commissioner Chappell for his comments.

Chairman Chappell noted that County staff has done an excellent job of trying to communicate issues to citizens. Staff recently created a webpage outlining the history of the courthouse project and they intend to do the same with the fire department funding options. The purpose is to educate the public and quell rumors. He stressed this will be an opportunity for citizens to provide input on critical services. Chairman Chapman thanked all the fire rescue departments for the services they provide. He assured them the Board of Commissioners wants to determine if there is way to provide services to all citizens at a more equitably shared cost. He encouraged everyone to take the opportunity to provide input. Commissioner Phillips reiterated the point to take the opportunity to provide input and assist Commissioners with making the best decision for all citizens.

APPOINTMENTS

PERSONNEL BOARD

The terms of Frances Bradburn (Member of Business), Scotta Orr (Member-at-Large), and Lisa Sheffield (Employee [Library]) expire at the end of February. Frances Bradburn and Lisa Sheffield are eligible for reappointment. Scotta Orr is not eligible for reappointment.

There are applications on file and through a recent advertisement the Clerk received another application. Human Resources Director Sheila Cozart and Personnel Board Chair Elaine Russell recommended Commissioners reappoint Frances Bradburn and Lisa Sheffield to a second term and to continue serving in their respective roles. They further recommended additional time to interview the applicants and to make a recommendation on the Member-at-Large appointment at a Board meeting in March.

Commissioner Hawkins moved to reappoint Frances Bradburn and Lisa Sheffield to a second term on the Personnel Board. The motion was seconded by Commissioner Phillips. Commissioner Chappell serves as the County Commissioner Representative to the Personnel Board and he was very appreciative of the work this board does. **The motion was unanimously approved.**

NEW BUSINESS

SEMI-ANNUAL FINANCIAL REPORT

At the end of the second quarter, Finance Director Gay Poor gives an overview of financial activity for the first six months of the fiscal year. She reported the following:

General Fund:

Half way through the year, actual General Fund revenues had reached 54.1% of the amount budgeted. At the end of December, 78.2% of the current year ad valorem taxes had been collected, versus 76.5% through December of 2017. This increase in percent collected accounted for the majority of the \$763,673 increase in ad valorem taxes. Collections of prior year property taxes have already exceeded the total for FY 17 as well as the budget for FY 18. Sales tax revenues continued to improve, up 4.5% over FY 18 projections and 7.4% over FY 17 actuals for the three months of sales taxes distributed to date. (Since the end of the quarter, two additional months of sales taxes has been received. Sales tax revenues currently run at 6.37% more than this time one year ago.) Real property excise taxes also surpassed last year's actual levels and budget expectations. Building permit and inspection fees, however, came in behind the prior year's as commercial construction fell to a more normal level after extraordinary activity during the first half of FY 17. Other revenues, which consist mainly of intergovernmental revenues and fees from services, are typically around 30% of the budgeted level at this point in the fiscal year due to the lag in State and federal reimbursements and grants that have not been used yet. This year they reached only 22.9% of budget, primarily because of additional delays in disbursements and the transition to direct payments for child care providers and Medicaid transportation recipients. There was a corresponding decrease in related budgeted expenditures. Overall, FY 18's revenues exceeded FY 17's through the second quarter by \$937,429.

As of the end of December, General Fund expenditures were 42.9% of budget, three percent less than a year ago. Personnel expenditures, including fringes and benefits, were 47.6% of the budgeted amount and only \$89,308 more than FY 17's for the same period. Charges for fuel and utilities are recorded on a month-behind basis but have been running below budgeted levels. While fuel prices have remained below the forecast prices, the average price rose by approximately \$0.23/gallon compared to prices paid during the first half of FY 17. Only one-third of the amount budgeted for capital was used in the first half of the year, mostly for vehicle replacements. The majority of the remainder was allocated for building improvements, which are underway. Appropriations for the local school systems are disbursed on a monthly basis and consequently were at 50% of budget. Lottery proceeds are disbursed when requested by the Board of Education. Since the largest bond principal payment was not due until February, debt service was only 31.3% of the annual appropriation. Likewise, all other budgeted expenditures were less than half of the amount budgeted – only 30.2%. FY 18's expenditures to date were, however, more than FY 17's at this point - by \$355,901 - primarily because of the increase in appropriations for the school system and in pass-through lottery funds, which was partially offset by the delay in capital outlay.

Self Insurance Fund:

Even taking into consideration the lag between the time claims are incurred and the time they are processed, claims costs at 32.9% of budget were less than with FY 18's projections and considerably less than claims for the first six months of FY 17. Staff suspects this is due in part to the interruption in service when Mission Health was not covered by Blue Cross Blue Shield; however, it is difficult to say with certainty this is the cause. The administrative costs for health insurance were right on budget, but 10.6% more than last year, reflecting an increase in stop loss premium charges.

Commissioner Chappell asked for staff to report on the the cost savings to the County and employees by having the Wellness Clinic versus not having it.

Solid Waste Fund:

Through the second quarter actual Solid Waste operating revenues totaled 52.2% of budget, exceeding FY 18 projections and ahead of FY 17 results by 10.8% for the same period. Solid Waste expenditures were at 37.4% of budget, with 44.8 % of the operating budget and 45.1% of the capital budget used during the first six months of the year. Through December 2017 Solid Waste realized income of \$188,785 versus a loss of \$117,589 through December 2016.

Ms. Poor concluded her presentation and stated there are currently no areas of concern.

Commissioner Hawkins added that with revenues up and expenditures being down, this is actually a good report. He referred to the data about sales tax revenues being up 6.37% and inquired about the dollar amount associated with that percentage. Ms. Poor did not have the figures with her, but noted that total budgeted sales taxes are about \$7.7 million, so 1% would equate to \$77,000.

Chairman Chapman thanked Ms. Poor for her presentation. Her report reflects the County is doing well financially and spending dollars wisely, but earlier reports indicate there remains a tremendous amount of needs.

Commissioner Phillips moved to accept the report as presented, seconded by Commissioner Hawkins and unanimously approved.

RECAP OF BUDGET AMENDMENTS FOR FIRST HALF OF FISCAL YEAR

The Finance Director periodically provides a recap of the budget amendments that have been approved and entered year-to-date and their impact on the fiscal year General Fund budget. She reported the following:

During the first half of the year, amendments were made that increased the budget by \$3,411,187, with \$2,718,300 attributable to funds that were moved from the General Fund to the Golden LEAF Foundation-Light Industrial Building Project Fund. This amount represents an appropriation of \$3,000,000 from fund balance assigned for this project, plus \$718,300 from unassigned fund balance, less \$1,000,000 from the Golden LEAF Foundation Grant transferred to the project fund. Most of the remaining fund balance appropriations of \$439,573 were made from fund balance assigned for specific purposes such as \$183,172 for air conditioning at the Recreation Center's gymnasium and \$163,216 for potential legal action. Along with smaller withdrawals from unassigned fund balance, \$26,945 was allocated to cover costs incurred by the Sheriff's Office, Communications, and Emergency Management during the manhunt last July, and \$28,031 was allocated to provide funding for a new Social Worker Program Manager position and remodeling office space in DSS. In addition, \$167,581 in fund balance was carried forward from the previous year for purchases and projects initiated in FY 17 but not completed prior to year-end, including \$99,873 from the Federal Equitable Sharing Program for use by the Sheriff's Office; \$20,682 to upgrade the radio system for Animal Services; and \$13,604 to finish installing proximity card access controls at the Community Services Building. The budget was also amended to reflect \$42,454 anticipated in additional DSS funding related to corresponding increases in expenditures and \$34,886 in other federal and local grants. Donations to the Animal Shelter accounted for another \$8,393 of the total change in the budget. With these amendments, the FY 18 General Fund budget closed the 2nd quarter at \$54,655,160.

Commissioner Hawkins moved to accept the report as presented, seconded by Commissioner Chappell and unanimously approved.

BUDGET AMENDMENTS

Finance Director Gay Poor presented the following budget amendments for approval:

#56: \$31,249 from proceeds from insurance claims for repairs to an ambulance (\$1,246) and two Sheriff's vehicles (\$6,089), restoration and repairs for water damage at the Library (\$10,158) and the Tax/Register of Deeds Office (\$13,018), and repairs due to vandalism at the Rosman Community Park (\$738)

#57: \$11,500 from donations to the Sheriff's Office for acquisition of law enforcement dogs and associated officer training

#59: \$25,160 from Fund Balance Assigned for Health Department Medicaid Cost Settlement Payments to cover the payback of cost settlements required by the Division of Medical Assistance for FY 13

#63: \$27,875 from fund balance to Community Programs- \$12,875 from Fund Balance Restricted for the Hemlock Restoration Project remaining from a \$10,000 Carolina Mountain Land Conservancy grant and a \$5,000 Hemlock Restoration Initiative grant, plus \$15,000 from unassigned fund balance, for the County's match originally appropriated in FY 17

#64: \$5,275 from unassigned Fund Balance to Finance for an interim valuation of Other Post-Employment Benefits (OPEB) to meet GASB 75 requirements for disclosure of OPEB liabilities, as of 06/30/2018

In addition, there is one amendment submitted for your review and approval for the Silvermont Fund:

#58: \$10,000 from the estate of Lois Maxine Gibbs for looping the two meeting rooms at Silvermont for the benefit of the hearing impaired in Transylvania County

If approved, these amendments will increase the General Fund budget by \$101,059, bringing it to a total of \$55,150,555. The budget for the Silvermont Fund will be \$10,000.

Commissioners Hawkins moved to approve the requested budget amendments. The motion was seconded by Commissioner Phillips. Chairman Chapman inquired further about the K-9 program. Sheriff Mahoney reported that the community has stepped up to provide donations. The Sheriff's Office now has its third K-9 team. Training for the new handler and dog is near completion. **The motion was unanimously approved.**

MANAGER'S REPORT

The Manager reported the following:

- Notification of Rural Infrastructure Grant from State
 - \$100,000 for Greystone Inn renovations
- Invitation to NCACC to present the work of the Early Childhood Initiative effort in Transylvania County at the "100 Counties: Helping Our Children Thrive" Summit on March 21-22 in Greensboro
- Transylvania County Family Resource Center grand opening March 20 from 2:30pm-4pm at the former Elections Center
- Nonprofit funding applications due March 16
- Community Center grant applications have been issued
- Departmental budget submittals due this week
- Clarification on Transylvania Natural Resources Article printed in *The Transylvania Times*
 - No hiring freeze has been discussed at this time
 - The Manager does not give feedback, favorable or unfavorable, on budget requests during the budget submittal process. All requests (over 35 departments, agencies, and organizations) are evaluated in sum based on funding available, legal mandates, the County's Strategic Plan, and direction from the Commissioners to shape recommendations presented to the Board in May. No request for comment from the reporter was made to Administration.
- Kudos Report!
 - To Kevin Shook, Interim Animal Services Director from Health Director Elaine Russell for going above and beyond to expedite the results of a bat tested for rabies
 - To Barbara Hall, Shelter Attendant, from co-worker Tanner Galloway for her hard work and willingness to help
 - To Erik Schroder in IT from Sarah Willix in DSS for working with them to develop a new worksheet resource
 - To Clerk to the Board Trisha Hogan for receiving her IIMC certification as a Certified Municipal Clerk

The Manager thanked Commissioners for their comments regarding the ability to garner public input for fire rescue funding. Staff is looking at ways to utilize the County website to share information about various projects and solicit input from citizens on issues. The website becomes both a resource and a conversation so staff can better inform Commissioners' future policy decisions. Staff is committed and intends to avoid issues that occur in other counties. The Manager was recently interviewed by *WLOS News*. They specifically wanted to know how Transylvania County is being transparent and accountable to its citizens. While everything she informed them did not make it on air, the Manager stated that each of those pieces tie back to the County's Strategic Plan to be a transparent organization and one that allows for public input.

Chairman Chapman inquired about the status of the Ecusta Road Project. The Manager stated there were a couple of weather delays and work is underway to determine options to deal with unsuitable soil issues. A redesign of the building would lower the building about one foot in order to accommodate the soil issue. Staff will be meeting tomorrow to discuss further.

PUBLIC COMMENT

Don Surrette: Mr. Surrette shared a local history story. He recently learned that the County's second jail was built in approximately 1878 where the current Clerk of Court's office resides. When it was first built, the first floor was the jailer's residence. He shared that the father-in-law of a family friend was the jailer and lived in the building during the time period around 1940. Mr. Surrette shared that many people would come in uncooperative and Mr. Brown, the jailer, kept a paddle on the wall to "encourage" the town drunks upstairs to the jail.

Jimmy Jones: Mr. Jones is the President of Cedar Mountain Fire Rescue. He referred to the presentation made earlier on the fire rescue funding options. He was concerned that some of the figures shared may have been transposed. His figures indicated that 31 counties in the State share the same funding type as Transylvania County and eight use the flat tax method. He asked for this information to be corrected. (Clerk's note: Mr. Jones was incorrect in that the numbers had been transposed.)

COMMISSIONERS' COMMENTS

Commissioner Chappell expressed thanks to NC General Assembly for rural infrastructure grant. He announced that the Greystone Inn owners expressed thanks to all those who made phone calls of support on their behalf. Commissioner Chappell reported the Inn is currently hiring approximately 40 full-time positions and 30 part-time positions and there will be a job fair tomorrow at Blue Ridge Community College.

Chairman Chapman moved to enter into closed session per NCGS 143-318.11 (a) (5) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, after a 5 minute recess, seconded by Commissioner Chappell and unanimously carried.

CLOSED SESSION

Per NCGS 143-318.11 (a) (5) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, closed session was entered into at 9:30 p.m. Present were Chairman Chapman, Commissioners Chappell, Hawkins, Lemel (via conference call) and Phillips, County Manager Jaime Laughter, County Attorney Misti Bass, Transylvania Economic Alliance Executive Director Josh Hallingse, Transylvania Economic Alliance Board Chairman Jeremy Owen, member of the Board of

Directors of the Boys and Girls Club of Transylvania County and former member of the Transylvania Economic Alliance Parker Platt, and Clerk to the Board Trisha Hogan.

Commissioners were informed about available property for purchase and directed staff on how to proceed with potential negotiations.

Chairman Chapman moved to leave closed session, seconded by Commissioner Phillips and unanimously approved.

OPEN SESSION

Chairman Chapman moved to seal the minutes of the closed session until such time that opening the minutes does not frustrate the purpose of the closed session, seconded by Commissioner Hawkins and unanimously approved.

ADJOURNMENT

There being no further business to come before the Board, **Chairman Chapman moved to adjourn the meeting at 10:20 p.m., seconded by Commissioner Chappell and unanimously carried.**

Larry L. Chapman, Chairman
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board