MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
JUNE 22, 2026 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in a regular meeting on Monday, June 22, 2026, at 6:00 p.m. in the Multipurpose Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, North Carolina.

Commissioners present were Vice-Chair Larry Chapman, Jason Chappell, Jake Dalton, Chair Teresa McCall, and Chase McKelvey. Also present were County Manager Jaime Laughter and Clerk to the Board Trisha Hogan. County Attorney John Kubis participated remotely via Zoom.

Media: Jon Rich – *Brevard Beagle*

There were approximately 15 people in the audience.

CALL TO ORDER

Chairwoman Teresa McCall presiding, declared a quorum was present and called the meeting to order at 6:00 p.m.

WELCOME

Chairwoman McCall welcomed everyone to the meeting and introduced the Commissioners and staff in attendance.

PUBLIC HEARING

FY 2027 BUDGET

N.C.G.S. § 159-12 requires the board of commissioners to hold a public hearing to receive public input on the proposed budget before adoption of its budget ordinance. The Clerk to the Board published the public hearing per the statutory requirements. N.C.G.S. § 159-13 requires the local governing board to adopt a budget ordinance no later than July 1. The County Manager will recommend approval of the FY 2027 Budget later in this meeting.

The recommended budget and related documents are available for public inspection at www.transylvaniacounty.org in the *FY 27 Budget Info* folder/tab. Hard copies are also available in the Office of the Clerk to the Board and the Transylvania County Library (as of May 27, 2026).

The Manager provided a summary of the FY 2027 recommended budget.

Fiscal Policy Goals

- Continue long-term planning for capital improvements, including scheduled replacements and maintenance needs identified in 10-year plans.
    - Maintain funding strategies for school capital improvements identified in the 5-year plan.
    - Currently managing $220 million in capital projects.
- Continue multi-year budget planning in the General Fund to stabilize expenses.
    - Prioritize vehicle replacement and computer replacement schedules, and long-range maintenance evaluations.
- Maintain investments in the County workforce through competitive compensation and benefits to support recruitment and retention.

- Promote transparency and public understanding of county government responsibilities under the North Carolina government structure.

FY 2027 Budget Highlights

- Recommended General Fund Budget: $82.5 million, a 1.47% increase over FY 2026 with no property tax increase.
- Continue workforce investments through compensation and benefits.
    - Move forward with a salary study and consider implementation before the originally planned 2028 timeline.
    - Implement minor personnel adjustments.
- Continue major capital initiatives.
    - $164 million 5-year school capital improvement plan, which includes state grant funding for $65 million to build a new CTE wing at Brevard High School.
    - $38 million courthouse project.
    - Landfill and infrastructure projects to continue with associated grant funding.
- Monitor uncertain inflation and fuel cost impacts.
- Address potential state and federal cost shifts that impact the local budget without having local control.
    - SNAP administration and benefit costs ($1.2 million annually).
    - Teacher pay increases (averaging 8%) and related costs impacting locally paid positions and supplements (estimated impact of $1.2 million).
    - Recommend use of fund balance to cover any FY 2027 impacts, but any future recurring costs would require a property tax increase (2 cents).
- Fund partner agencies outside County administration with a 2.7% overall increase.
    - Outside agency funding comprises 39% of the property tax.
    - Maintain nonprofit/community center grants and free Wi-Fi programs.
    - Rescue Squad increase: 2.8%.
    - Fully fund the Board of Education’s request, including a 2% operational increase and a 42% increase in annual capital funding.
        - Last year’s operational increase was 7% and was the driver for the tax increase.
    - Fully fund Blue Ridge Community College’s requested 2% increase.
        - Last year’s increase was recommended at 6%.
    - No requests were recommended for any of the outside agencies above 2% without a resolution or letter from their respective board acknowledging that the need was important enough that if the Board of Commissioners needed to raise taxes to pay for it, then they supported that.
- Internal County services grew by 1% and included many different elements that staff will be moving forward with in the next budget year.
- Transit study and Helene recovery continue.

Capital and Equipment Recommendations

- Replace one fleet vehicle, five Sheriff’s Office vehicles, and one ambulance.
- Replace a tilt skillet in the Detention Center.
- Purchase an evidence incinerator.
- Replace chillers in major County facilities.
- Continue building maintenance projects identified and prioritized in Axias assessments.
- Fund computer replacements and software needs.
- Implement a smart-key system for key-access accountability across two areas of the Public Safety Facility.

Personnel Recommendations

- No new positions recommended.
- One net position reduction.
- Recommended six reclassifications.
- Total impact to County's budget of approximately $7,640.
- 17 personnel requests submitted at a net cost of $291,000:
    - 2 position reductions.
    - 4 new positions.
    - 10 reclassifications, including some requests for staff already performing higher levels of duty at lower classifications.
    - A request to modify standard work hours affecting 12 positions.
- Compensation recommendations for positions are based on objective data and market analysis. External consultants review job descriptions and the required skills for each to determine appropriate classifications for positions not already established within the pay plan, ensuring consistency and reducing potential bias.
- Recommendations are noted in the chart below and focus on employees already performing higher-level duties and organizational efficiency. The recommendation also includes funding for the LEAD for North Carolina Fellow position previously approved in FY 2026.

Recommendation Detail (Green):

6 reclassifications- positions already performing higher level
1 Hour modifications
1 position reduction

Lead for NC Fellow- to report directly to County Clerk, already approved FY 26

Personnel Requests

Department	*Type*	*Position(s)*	*Notes*
DSS	Reclassification	Social Worker III-> Social Worker IAT	Acknowledges existing job duties, 4 existing positions
DSS	Reclassification	Quality Assurance Supervisor -> Social Worker Program Manager	
DSS	Reduction	Public Assistance IV	Reduction funds request
Communications	New	Technology Specialist	
Communications	New	Radio Technician	
Communications	Reduction	Systems Engineer	Reduction partially funds other requests
Sheriff	New	FT Court Security Deputy	
Sheriff	Reclassification	Narcotics Investigator-> Sgt Narcotics	Reclass 1 of 3 investigator positions in unit
Sheriff	Hour Modification	SROs to 84 hour pay periods	
IT	Reclassification	Network Administrator-> Network Engineer	
IT	Reclassification	System Administrator-> System Engineer	
Finance	Reclassification	Accountant-> Accounting Manager	Acknowledges existing job duties
Administration	Reclassification	Budget & Mgmt Analyst-> Budget and Internal Projects Director	Acknowledges existing job duties
Tax and Tag Office	New	LPA Specialist	Revenue already below service expense

Employee Health Benefits

- A 2023 salary and benefits study found that the County's health benefits are slightly below those offered by comparable local governments. The County must avoid decreasing benefits to remain competitive.
- Continue operating a self-funded health plan, which allows opportunities to use different strategies to manage healthcare benefit costs, including operating an employee wellness clinic to control costs.
- Health plan costs projected to increase approximately 8%, which is below market trends.
- Healthcare costs are rising rapidly nationwide, so continuing to employ strategies to control costs will ensure the County can maintain benefits near market averages and support recruitment and retention.

Expenditures by Type

- Personnel-related costs remain the County's largest expenditure at 45%, reflecting the people-centered nature of local government services.

- Education funding is the second largest expenditure and is reflected within debt service and future capital investments.
    - Does not include personnel costs, but if factored in, personnel expenditures would represent 60.2% of the County's annual budget.
- Debt service will continue to shift in FY 2026 with payments on the school bond and EMS Base as scheduled in the capital planning.
- Capital outlay and maintenance are increasing in the categories of Public Safety and Emergency Services, in particular due to rises in equipment costs and integrated technology.

Expenditures by Function

- Public Safety and First Response: 25%.
- Education: 21%
- Health and Human Services:17%.
- Seeing growth in debt service, both for general government and school bonds: 26%

Solid Waste Enterprise Fund Summary

- Recommended budget of approximately $4.1 million.
- Revenue growth is expected to remain limited, with most increases coming from investment earnings rather than user fees.
- The fund remains dependent on a General Fund subsidy, with $720,000 in property tax support budgeted for FY 2027.
- The existing mix of revenue is not sufficient to maintain landfill operations long-term.
- Consultants (Smith + Gardner Engineers) recommended eliminating bag fees, implementing an availability fee combined with tipping fees, and evaluating a future transfer station model instead of constructing additional landfill cells.
- Recommend conducting a series of public meetings during the year to gather community input on future funding and disposal options.

Fire Department Budgets

- Fire district revenues are projected to grow by 2%, with no recommended increase to the fire tax rate.
- Departments that did not submit resolutions or letters requesting additional funding were limited to the standard 2% increase. Requests for larger increases were reviewed individually, and recommendations were made based on the justification provided.
- Common budget challenges identified by fire departments include workforce shortages, rising personnel costs, increasing health screening expenses, and escalating equipment costs with longer lead times.
- A 2.7% cost-of-living adjustment (CPI as of January) for personnel was included across all departments. No requests for additional staffing beyond the four firefighters previously approved per department were recommended.
- Recommended budgets include funding above personnel cost increases, with two departments receiving increases above 2% based on demonstrated need.
- Total spending for the fire department district is just under $7 million.

The County Manager concluded the summary presentation of the recommended budget for purposes of the public hearing.

Before opening the public hearing, Commissioner Chapman referred to the proposed $720,000 General Fund subsidy for Solid Waste and asked whether additional General Fund support was recommended for other agencies. The Manager responded that approximately 39% of property tax revenue supports outside agencies and organizations, including Education, the Rescue Squad, the NC Forestry Service, Vaya Health, and others.

Chairwoman McCall opened the public hearing at 6:15 p.m., reviewed the public hearing procedures, and invited public comment.

Owen Carson thanked the Board and staff for their work in developing the FY 2027 recommended budget and acknowledged the challenge of balancing community needs with fiscal responsibility. He commended the County's long-range planning for capital projects and future debt obligations. Still, he noted that it can be difficult for residents to understand how the County's various long-term financial commitments fit together. He encouraged the Board to consider developing a public-facing financial roadmap that would summarize major future obligations, including school construction and bond payments, courthouse and facility investments, solid waste needs, and potential impacts from state and federal funding changes. He stated that such a resource would help residents better understand the County's long-term financial outlook and the assumptions underlying future budget decisions.

There being no further speakers, **Chairwoman McCall closed the public hearing at 6:18 p.m.**

PUBLIC COMMENT

Doug Powell encouraged residents to reflect on the meaning of the Declaration of Independence as the nation approaches Independence Day. He spoke about the Declaration's references to God, individual rights, and the purpose of government, and encouraged local governments to acknowledge the nation's religious and historical foundations in public buildings and meetings. He concluded by wishing everyone a happy Independence Day.

Chuck Gilmore expressed concern about a proposed constitutional amendment related to limiting property tax increases slated for the November ballot. He said the measure could make it more difficult for local governments to address local needs and encouraged the Board to use its public platform to educate residents about the potential impacts of the proposal before the election.

AGENDA MODIFICATIONS

There were no agenda modifications.

Commissioner Chapman moved to approve the agenda, seconded by Commissioner McKelvey, and it was unanimously approved.

CONSENT AGENDA

Commissioner Chappell moved to approve the Consent Agenda as submitted, seconded by Commissioner Dalton, and it was unanimously approved.

The Board approved the following:

APPROVAL OF MINUTES
The Board approved the minutes of the June 2, 2026, budget workshop and the June 8, 2026, regular meeting. The Board also approved the February 9, 2026, March 9, 2026, and April 27, 2026 (2), sealed closed session minutes.

DISCOVERY, RELEASE & MONTHLY SETTLEMENT REPORTS - MAY 2026 AND JUNE 1-22, 2026
Per N.C.G.S. § 105-312 (b), the Tax Administrator must see that all property not properly listed during the regular listing period is listed, assessed, and taxed. The Tax Administrator shall file such reports of discoveries with the Board of Commissioners. Per N.C.G.S. § 105-381 (b), the Tax Administrator must

provide a monthly report to the Board of Commissioners of the actions taken by the Tax Administrator on requests for release or refund, which shall be recorded in the minutes. For May 2026, tax dollars released totaled $235.26, and refunds amounted to $1,218.78. For the period June 1-22, 2026, tax dollars released totaled $1,361.62. There were no refunds issued. The Board approved the reports as submitted.

PROCLAMATION DESIGNATING JULY AS PARK AND RECREATION MONTH

The Board approved a proclamation designating July as Park and Recreation Month in Transylvania County. The proclamation recognizes the important role parks, recreation programs, and recreation professionals play in promoting health and wellness, strengthening families and communities, and enhancing quality of life. This year's National Recreation and Park Association theme, "The Power Of," highlights the positive impact parks and recreation have on building healthy, connected, and resilient communities.

Proclamation #27-2026
Designation of July as Park and Recreation Month

WHEREAS, parks and recreation is an integral part of communities throughout this country, including Transylvania County; and

WHEREAS, parks and recreation promotes health and wellness, improving the physical and mental health of people who live near parks; and

WHEREAS, parks and recreation promotes time spent in nature, which positively impacts mental health by increasing cognitive performance and well-being, and alleviating illnesses such as depression, attention deficit disorders, and Alzheimer’s; and

WHEREAS, parks and recreation encourages physical activities by providing space for popular sports, hiking trails, swimming pools and many other activities designed to promote active lifestyles; and

WHEREAS, parks and recreation is a leading provider of healthy meals, nutrition services and education; and

WHEREAS, park and recreation programming and education activities, such as out-of-school time programming, youth sports and environmental education, are critical to childhood development; and

WHEREAS, parks and recreation increases a community’s economic prosperity through increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS, parks and recreation is fundamental to the environmental well-being of our community; and

WHEREAS, our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS, the U.S. House of Representatives has designated July as Parks and Recreation Month; and

WHEREAS, in July 2026, Park and Recreation Month highlights “The Power Of” parks and recreation and the people who make it all possible;

NOW THEREFORE, BE IT RESOLVED BY the Transylvania County Board of Commissioners that July is recognized as Park and Recreation Month in Transylvania County.

This the 22nd day of June 2026.

S://Teresa K. McCall, Chair
Transylvania County Board of Commissioners

LETTER IN SUPPORT OF ADVENTHEALTH'S CERTIFICATE OF NEED APPLICATION

AdventHealth Hendersonville requested a letter of support for its Certificate of Need application to develop 92 additional acute care beds at its new hospital in Weaverville. The project is intended to improve access to specialized and advanced healthcare services for residents throughout Western North Carolina, including surrounding rural communities. The Board approved a letter of support for the application.

FY 2027 HOME & COMMUNITY CARE BLOCK GRANT

The Board considered the FY 2027 Home and Community Care Block Grant County Funding Plan as recommended by the Transylvania County Council on Aging. Although funding requests exceeded the available allocation, the Council developed a funding plan to support nutrition services, in-home aide services, transportation, information and counseling, and legal services for older adults. All funded providers are returning service providers. The Board adopted the FY 2027 Home and Community Care Block Grant County Funding Plan.

WNCSource	$125,000 for Congregate Nutrition $49,350 for Home Delivered Meals $33,000 for Home Delivered Supplemental Meals $10,000 for Information and Options Counseling
CarePartners HHA	$19,048 for In-Home Aide Level I- Home Management $55,000 for In-Home Aide Level II- Personal Care
Transylvania County Transportation	$8,115 for General Transportation $4,025 for Medical Transportation
Pisgah Legal	$15,000 for Legal Services

FY 2027 JUVENILE CRIME PREVENTION COUNCIL FUNDING PLAN

The Board considered the FY 2027 Juvenile Crime Prevention Council (JCPC) Funding Plan. The JCPC reviewed local juvenile justice needs, monitored the performance of funded programs, and recommended continued funding for Project Rebound through Transylvania County Schools and the Vocational Directions and Kids at Work programs through Aspire Youth and Family, Inc. No administrative funding was requested for the Council. The Board approved the FY 2027 Juvenile Crime Prevention Council Funding Plan as recommended.

Transylvania County Schools	$47,732 for Project Rebound
Aspire Youth and Family, Inc.	$46,767 for Vocational Directions $31,478 for Kids at Work

AMENDMENT TO FY 2025 AUDIT CONTRACT WITH MARTIN STARNES & ASSOCIATES

The Board considered an amendment to the FY 2025 audit contract with Martin Starnes & Associates. Due to the increased amount of federal and state grant funding received by the County, two additional grant programs must be tested to satisfy Single Audit requirements, increasing the contract by $8,500. The Board approved the contract amendment through June 30, 2026.

TRANSFER PUBLIC HEALTH FTE TO NC PUBLIC HEALTH ALLIANCE STAFFING AGENCY

The Board considered a request to transfer a vacant CARE Coalition Director position to the NC Public Health Alliance Staffing Agency. The position oversees the Coalition's operations, federal grant administration, and management of opioid settlement funds. The Board approved the transfer.

RESCHEDULED HEALTH DEPARTMENT ANNUAL TRAINING DAY
The Board considered a request to reschedule the Health Department's annual staff training day, which supports required accreditation standards and staff development. The Board approved rescheduling the training day to September 30, 2026.

OUT OF STATE TRAVEL REQUEST
The Board considered a request for Information Technology Director Nathanael Carver to attend the National Association of Counties Annual Conference in New Orleans, Louisiana. The conference includes technology, artificial intelligence, and cybersecurity training that supports the County's information technology initiatives. The Board approved the out-of-state travel request.

PRESENTATIONS/RECOGNITIONS

RECOGNITION OF CITIZEN ADVISORY COUNCIL MEMBERS
As part of the Board's semiannual citizen recognition program, the Board recognized volunteers completing service on County advisory boards and commissions between January 1 and June 30, 2026. Chairwoman McCall presented certificates of appreciation and commemorative mugs to those in attendance, and the Clerk will mail certificates to those unable to attend.

The following individuals were recognized for their service:

- John Buford – Agricultural Advisory Board
- Shannon Roberts – County Council on Aging
- James Bailey – Personnel Board
- Jo Ann McCall – Personnel Board
- Billy Parrish – Joint Historic Preservation Commission
- Keith Wilmot – Transportation Advisory Committee
- Karen Cole – Library Board of Trustees
- Jessica Shanor – Social Services Board
- Greg Cochran – Parks and Recreation Commission
- Christina Mahoney – Board of Health
- Daniel Mehdi – Juvenile Crime Prevention Council

FISCAL YEAR 2025 AUDIT PRESENTATION
The North Carolina Administrative Code requires a certified public accountant conducting an audit of a local government to present the audit results to the governing board within 45 days of submission to the Local Government Commission (LGC). The County’s FY 2025 audit will be presented to the LGC the following week, which is within the required submission timeline.

Finance Director Meagan O’Neal introduced Kelly Gooderham with Martin Starnes and Associates to present the FY 2025 Audit Report.

Audit Highlights
Ms. Gooderham reported that the County received a clean, unmodified opinion, meaning the auditors found no material misstatements that would cause the financial statements to be misleading to the reader. She thanked the Board for continuing to engage Martin Starnes and Associates as the County’s auditing firm.

General Fund Summary
Ms. Gooderham reported that General Fund revenues increased by $3.6 million, or 5%, primarily due to increases in property tax, restricted intergovernmental, and miscellaneous revenues. Expenditures increased

by $5.5 million, or 8.4%, largely due to increases in Public Safety, Human Services, General Government, and Debt Service.

Total Fund Balance-General Fund
The County's total General Fund balance increased by $3 million, or 6%, compared to the prior year.

Fund Balance Position – General Fund
Using the methodology established by the Local Government Commission, available General Fund balance for FY 2025 totaled $39.3 million, an increase of $445,271 from the prior year. Unassigned fund balance, which excludes funds restricted or committed for specific purposes, totaled $15.4 million, representing a decrease of $396,200, or 2.5%, from the prior year.

Fund Balance as a Percent of Expenditures – General Fund
Ms. Gooderham reported that unassigned fund balance represented 19.4% of General Fund expenditures.

The Local Government Commission recommends counties maintain approximately one month of expenditures in reserve, or roughly 8% of expenditures. The County's available fund balance represented approximately six months of reserves, or 47.33% of expenditures. Unassigned fund balance represented 23.2% of expenditures, or approximately 2.4 months of reserves.

Top Three Revenues: General Fund
Ms. Gooderham reported that the County's three largest revenue sources - property taxes, local option sales taxes, and restricted intergovernmental revenues - accounted for 84% of total General Fund revenues.

- Property tax revenues increased by $1.1 million, primarily due to increased collections.
- Local option sales tax revenues increased by $259,000, or 2%, and were consistent with the prior year.
- Restricted intergovernmental revenues increased by $2 million, primarily due to the COPS grant.

Top Three Expenditures: General Fund
The County's largest expenditure categories were Public Safety (33%), Education (21%), and General Government (16%), which together accounted for 70% of total expenditures.

Public Safety expenditures increased by $1.5 million due to increased salaries, related benefits, and capital outlay. Education expenditures, excluding related debt service, decreased by $39,000 and remained comparable to the prior year. The decrease was primarily related to the timing of debt service transfers associated with the General Obligation bonds, which began in FY 2025. General Government expenditures increased by $1 million, primarily due to increased Department of Social Services administration costs, including salaries and related benefits.

Solid Waste Fund
Ms. Gooderham reviewed the Solid Waste Fund, reporting positive operational cash flow of $1.5 million, total net position of $7.5 million, and unrestricted net position of $3 million.

The overall change in net position was a positive $24,614. Operating revenues totaled just under $3 million, while operating expenditures totaled $3.6 million. Non-operating revenues and expenditures, including enterprise capital project activity, total approximately $68,000.

Performance Indicators
Ms. Gooderham explained that the Local Government Commission requires counties to report certain performance indicators and address any identified concerns.

No financial performance indicators of concern were identified. However, the audit included two material weakness findings related to:

- The late completion of the audit, which was anticipated; and
- The general ledger not being reconciled to subsidiary ledgers on a monthly basis due to the timing of the audit process.

Ms. Gooderham noted that these were repeat findings but were largely related to timing, as auditors are required to review the entire fiscal year. She also reported that the prior-year finding related to the escheat process had been properly resolved.

This concluded Ms. Gooderham's presentation. Chairwoman McCall invited comments and questions from the Commissioners.

Commissioner Chappell expressed appreciation to Ms. Gooderham and Martin Starnes and Associates for responding to the County's requests for proposals to serve as auditor. He noted that audits are becoming increasingly challenging for local governments throughout the state and emphasized the need for counties to continue advocating with the General Assembly regarding the declining number of firms available to perform required governmental audits.

Ms. Gooderham thanked the Board for supporting the Finance Department and staff. She noted that many smaller counties and municipalities are struggling to retain qualified finance professionals and emphasized the importance of elected officials supporting finance staff to reduce turnover and maintain institutional knowledge.

Commissioner Chappell also asked whether additional changes were expected following recent Governmental Accounting Standards Board (GASB) updates that have affected the presentation of the County's audit in recent years.

Ms. Gooderham responded that additional changes are expected. She explained that GASB has issued several updates since 2021, with two new standards implemented this year. She noted that while these changes are significant, they are expected to have a greater impact on the auditing process than on the day-to-day operations of the Finance Department. She added that GASB continues to implement new and more stringent requirements.

Ms. O'Neal thanked the Board for its continued support and reported that work will begin soon on the FY 2026 audit for completion by December 31, 2026.

Chairwoman McCall expressed appreciation to Ms. Gooderham, Ms. O'Neal, and staff for their hard work. Commissioner Chapman emphasized the importance of citizens knowing that taxpayer dollars are being managed responsibly and accounted for appropriately. He stated that a transparent audit process helps build public trust and demonstrates that the County is fulfilling its responsibility to the community. He thanked staff for their efforts.

<u>MONTHLY CAPITAL UPDATE</u>
Pursuant to the interlocal agreement between the Board of Commissioners and the Board of Education, the Project Manager provides monthly updates to both Boards regarding school capital projects. The County Manager also provides updates on countywide capital projects outside of school facilities.

Fixing Transylvania County Schools
(Presented by Project Manager Beecher Allison)

CTE Grant Project Update
The Preliminary Schematic Design package was released by LS3P on June 8, 2026, including the mechanical, electrical, and plumbing (MEP) design narratives. Construction Manager at Risk, Blum, anticipates providing the schematic design package with narrative pricing the week of July 20 for owner review. Design teams continue to work toward advancing the project schedule and obtaining initial pricing for the first project checkpoint.

Guaranteed Maximum Price (GMP) 1 Work - Summer 2026
Work under GMP 1 began on June 8, 2026. Coordination with school staff regarding the next phase of construction activities is ongoing at each school site. Work remains on schedule and under budget for the originally approved scope.

Transylvania County Schools has authorized Blum personnel to establish coordinated field offices at each school site. Construction activities have begun at Brevard Middle School (BMS), Brevard High School (BHS), and Rosman Elementary School (RES) for work approved to proceed under GMP 1. Site logistics have been reviewed, coordinated, and approved with TCS staff. Pre-installation meetings have also been held at each site with Blum, trade contractors, and TCS representatives to review construction documents and coordinate project scopes.

Mr. Allison presented progress photographs from each project site.

At Brevard Middle School, work has begun on the replacement of the high flat roof area in preparation for future metal roofing installation and verification of existing roof materials. Work will continue toward the cafeteria and gym areas. Blum is working to complete as much work as possible during the summer months to minimize disruptions during the fall semester. Crews also worked the previous Saturday to make up for lost time due to weather delays.

At Brevard High School, work is underway on the Math Wing roof infill project and exterior brick repairs near the auditorium.

At Rosman Elementary School, preparation work has been completed, and Geofoam installation is scheduled to begin the following day.

Rosman High School Storage Tank Replacement
The Rosman High School storage tank replacement project is being completed separately from CMAR Blum.

S&ME coordinated with MSS to lock out/tag out the temporary tank at Rosman High School and disconnect piping in preparation for tank replacement. Henderson Oil removed the fuel oil from the temporary tank, and S&ME is coordinating with Henderson Oil regarding removal of the temporary tank.

Petroleum Solutions, an S&ME contractor, began work on June 15, including relocating fencing to help secure the work area in addition to previously installed cones and barricade tape. Work continues in coordination with TCS staff. The new underground tank is ready for delivery and will be installed once site preparation is complete and the area is ready to receive the tank.

Remaining Bond Work
Remaining scope items associated with the larger bond projects, including the Rosman Area Schools project, Brevard Area Schools project, and Brevard High School Scope #2 project, continue to advance through design and pricing.

On May 29, staff presented scope modification items to the subcommittee, including expanded security vestibule improvements at each school site and incorporation of the Rosman High School retaining wall project. The proposed modifications included:

- Removing items that had already been completed between the initial assessment and the start of the current projects.
- Removing items that would be duplicated through the BHS CTE grant-funded project.
- Adding additional structural work and air handlers at Rosman High School; and
- Expanding security vestibule construction at all school sites.

The subcommittee reviewed and approved the proposed scope modifications on May 29 based on recommendations from the design team and CMAR. The expanded security vestibule proposal is included on the Board's agenda for consideration of a budget amendment.

The current project timeline anticipates final design and schedule review for the Rosman Area Schools project during July and August, with construction beginning in fall 2026. Remaining Brevard area school projects are anticipated to proceed in early 2028. The BHS Scope #2 project will be completed concurrently with the CTE grant-funded project.

At this time, completion of all bond-funded projects remains feasible by the end of 2028. The schedule aligns with the CTE grant project and the early release package, with additional work anticipated to begin in summer 2027.

In Conclusion
Additional school construction activities under GMP 1 began June 8, following scope review by the subcommittee on February 5. Remaining project work, including approved scope modifications, was reviewed and approved by the subcommittee on May 29.

All Phase 1 bond project work remains on schedule for completion by the end of 2028, including integration of the CTE grant-funded project. Projects remain within budget, with the exception of the additional funding request for construction of new standardized security vestibules at each school rather than the originally approved improvement allowances. Dr. Fletcher will present the related budget amendment request later on the agenda.

Board Discussion
Commissioner Chapman asked whether any of the construction activities would impact students or school operations when classes resume in August.

Mr. Allison responded that any remaining work will be coordinated with school staff to minimize disruptions. While roofing work will continue into the school year, contractors are working diligently throughout the summer to complete as much of the work as possible. The County Manager added that construction associated with the Rosman Area Schools project is scheduled to begin in the fall and will likewise be coordinated with school administrators to minimize impacts on school operations.

Commissioner Chappell stated that one of the most significant takeaways from the presentation was that all Step One bond projects are projected to be completed by the end of 2028. He noted that this represents substantial progress compared to previous years and said he did not want the public to lose sight of that accomplishment.

Commissioner McKelvey noted that many of the projects are currently coming in under budget. He also commented that designing the new security vestibules presents unique challenges because of the varying layouts at each school and asked when the designs would be available.

The County Manager reported that the security vestibule designs have been completed and reviewed by school staff. She explained that the designs have not been included in public presentations because staff is limiting the amount of site-specific security information made publicly available.

Commissioner Dalton asked whether the replacement roofs would include adequate pitch to ensure proper drainage.

Mr. Allison explained that although the roofs are designed as low-slope roofs rather than traditional pitched roofs, the design team conducted additional analysis to ensure proper grading and drainage from the roof drains to the gutter system, minimizing the potential for standing water.

Chairwoman McCall remarked that, since execution of the interlocal agreement, an impressive amount of work has been completed in a relatively short period of time. She expressed appreciation to Mr. Allison, County staff, and Transylvania County Schools staff for advancing the projects efficiently. She noted that major projects, including the Brevard High School gymnasium and Exceptional Children classroom improvements, along with numerous smaller projects, have been completed or are nearing completion. She also observed that projects coming in under budget have allowed the Board to consider additional improvements and stated that the capital program has been very successful, and she expects that progress to continue.

Creating Jobs and a Safe Community
(Presented by County Manager Jaime Laughter)

- New Courthouse Project: The project remains on schedule. Sizemore Architects is finalizing construction drawings with staff review underway. The project is anticipated to proceed to bidding and financing this fall, with the bond sale scheduled for November.

Protecting Transylvania's Natural Resources
(Presented by County Manager Jaime Laughter)

The Manager provided the following updates on ongoing environmental protection and infrastructure projects:

- Landfill Cell Expansion: Construction-related sediment is migrating offsite. County staff is working with the North Carolina Department of Environmental Quality (NCDEQ), the construction contractor, and the project engineer to address the issue. Completion of the expansion is estimated in September.
- Watershed Study: The study is underway.
- Boys and Girls Club/Gallimore Road Sewer Project: The project is underway.
- Landfill Leachate Pretreatment: The project remains under review by NCDEQ.
- Morris Road Project: The project remains under review by NCDEQ.
- Calvert Road Water and Sewer Project: Staff has notified the Town of Rosman that funding has been allocated for the project and is awaiting confirmation of remaining funding sources before proceeding with a memorandum of understanding.
- Streambank Restoration Projects: Soil and Water Conservation staff continue to submit projects related to Hurricane Helene impacts through the Emergency Watershed Protection Program and other state funding opportunities. Projects will be presented to the Board for consideration once they are ready for approval.

The Manager further reported that several infrastructure projects, including the Brevard High School sewer line project, were originally supported by American Rescue Plan Act (ARPA) funding. The State has now expended its ARPA funds, requiring remaining grant-supported projects to transition to state funding sources that have different timelines and requirements.

The transition will allow staff to work with the project engineer to reevaluate priorities and determine the most effective sequencing of projects. The Brevard High School Sewer Line and Pump Station project remains the highest priority due to its direct impact on students and school operations. Following that project, staff will focus on coordinating the Azalea/Rhododendron sewer expansion to ensure infrastructure is available should the associated affordable housing project receive state-level tax credit funding and move forward.

APPOINTMENTS

JUVENILE CRIME PREVENTION COUNCIL

The terms of Cynthiana Cain, Sarah Holden, Jennifer Galloway, Jake Dalton, April Cameron, Chase Lance, and Dr. Brian Weaver expire at the end of June. All members are eligible and willing to serve an additional term. There are also several current vacancies on the Council, and staff continues recruitment efforts through advertisement and community outreach.

Members of the Juvenile Crime Prevention Council serve specific roles established by statute.

Commissioner Chappell moved to reappoint the following members to another term on the Juvenile Crime Prevention Council:

Cynthiana Cain - Member of Business
Sarah Holden - Member at Large
Jennifer Galloway - County Manager Designee
Jake Dalton - County Commissioner
April Cameron - Commissioner Appointee
Chase Lance - Parks and Recreation
Brian Weaver - Superintendent Designee

Commissioner Chapman seconded the motion, and it was unanimously approved.

REGIONAL COUNCIL ON AGING

There are currently two vacancies on the Regional Council on Aging. LeeAnne Tucker, Director of the Area Agency on Aging with the Land of Sky, has been assisting the Clerk with the recruitment efforts. Ms. Tucker recommended the appointment of Kay Argroves to one of the vacancies. The appointment would represent a Community Member position and would also serve as the Alternate Senior Tar Heel Delegate.

Ms. Tucker will continue recruitment efforts to fill the Senior Tar Heel Delegate position.

Chairwoman McCall recommended tabling the appointment recommendation because Ms. Argroves does not meet the requirements of the Board’s Citizen Advisory Council Policy, which requires members to reside in Transylvania County full-time and be registered to vote in the County.

Commissioner Chappell moved to table the recommendation. Commissioner Chapman seconded the motion, and it was unanimously approved.

NORTH TRANSYLVANIA FIRE RESCUE RELIEF FUND BOARD

The Board received an overview of the requirements for local Firefighters' Relief Fund Boards established pursuant to N.C.G.S. § 58-84-30. For each county, town, or city complying with and receiving benefits under the Local Firefighters' Relief Funds statute, a local board of trustees shall be appointed. The board consists of five members: two elected by the members of the local fire department, two appointed by the local governing body, and one appointed by the State Fire Marshal. Members serve without compensation.

North Transylvania Fire Rescue Deputy Fire Chief and Relief Fund Board Chair Allison Taylor notified the County that Matthew Petty, one of the County's appointees, had resigned from the Relief Fund Board. The North Transylvania Fire Rescue Board of Directors selected Jason Davis to fill the vacancy and recommended his appointment by the Board of Commissioners.

Commissioner McKelvey moved to appoint Jason Davis to the North Transylvania Fire Rescue Relief Fund Board. Commissioner Chapman seconded the motion, and it was unanimously approved.

OLD BUSINESS

FY 2027 BUDGET

At the beginning of the meeting, the County Manager provided a recap of the FY 2027 Budget highlights. The Board then conducted the required public hearing pursuant to N.C.G.S. § 159-12.

The County Manager reminded the Board that changes to the budget may be made following the public hearing, although this has not been the County's standard practice. She noted that Henderson County initially presented a recommended budget with no tax increase but later proposed a four-cent tax increase following its public hearing. She requested direction from the Board regarding the FY 2027 Budget.

Commissioner Chapman responded to comments received during the public hearing regarding transparency and long-term planning. He stated that the budget process has been transparent, noting that the timeline for budget preparation was presented earlier in the process, agendas are publicly posted, meetings are open to the public, and recordings are available online.

Commissioner Chapman expressed support for the FY 2027 Budget and appreciation for the recommended no tax increase. He stated that the Board prioritizes funding based on recommendations from County staff and that the budget process begins early each year with department presentations regarding accomplishments, trends, and anticipated needs.

Commissioner Chapman also addressed comments regarding the potential impact of future property tax limitations. He stated that if voters approve future constitutional amendments affecting property taxation, counties will need to prioritize budgets differently. He encouraged citizens to continue communicating their priorities and needs to elected officials. He commended the County Manager, staff, and Board for preparing a budget that looks toward the future while recognizing that it cannot address every community need.

Commissioner Chappell echoed Commissioner Chapman's comments and stated that the budget process is ongoing throughout the year. He noted that the Board uses information gathered during capital workshops and long-range planning discussions to evaluate future projects, funding needs, and potential impacts on the tax rate.

Commissioner Chappell acknowledged that there are items the Board would like to include in the budget but are not currently feasible. He noted that the State of North Carolina has not yet adopted a budget, which creates uncertainty and impacts local government planning. He explained that unlike the State, counties must adopt their budgets within statutory deadlines and cannot delay decisions indefinitely.

Commissioner Chappell expressed appreciation for the County Manager and staff's ability to incorporate the priorities of all five Commissioners into the recommended budget. He noted that budget information is available on the County's website as part of the County's commitment to transparency.

Commissioner Chappell also emphasized the importance of economic development, workforce development, and continued support for education, including Blue Ridge Community College. He stated that workforce development is critical to economic growth and has been a priority throughout his service on the Board.

Commissioner Chappell encouraged the Board and community to continue discussions regarding additional revenue options, including the potential for a local sales tax referendum. He noted that additional flexibility in revenue sources could significantly impact future budgets.

Commissioner Chappell reflected on the Board's decision to proceed with the property revaluation in the prior year. He stated that delaying the revaluation would have placed the County in a more difficult financial position and could have resulted in significant impacts similar to those now facing counties that delayed their revaluations. He recognized the Tax Administrator and staff for the accuracy and quality of the revaluation process and stated that the Board's difficult decisions in the previous year contributed to the County's current financial position.

Commissioner Dalton stated that he did not envy future Boards as they face upcoming budget challenges. He referenced potential impacts from state-level decisions related to SNAP administration costs, teacher salaries, and Medicaid Hold Harmless requirements, which could collectively create significant financial pressure on the County. He expressed appreciation for the Board's ability to work together despite differences of opinion and make decisions in the best interest of citizens.

Commissioner McKelvey agreed with previous comments and encouraged continued discussion regarding additional revenue sources, including a future sales tax initiative. He stated that additional revenue options could provide relief for local property taxpayers by allowing visitors and others who spend money in the community to contribute.

Commissioner McKelvey noted that the timing of Hurricane Helene impacted the previous sales tax referendum and expressed concern about future challenges, including unfunded mandates and the upcoming compensation study. He emphasized the importance of maintaining competitive wages to recruit and retain quality employees.

Commissioner McKelvey stated that while he supports the FY 2027 Budget, it does not include every priority the Board would like to address, including additional investments in Parks and Recreation and a long-term solution for Solid Waste. He thanked staff and fellow Commissioners for their work in preparing the budget.

Chairwoman McCall agreed with the comments of the other Commissioners and expressed appreciation to the County Manager for preparing a thoughtful budget focused on the needs of Transylvania County citizens. She noted that more than 90% of the County's budget consists of mandated services, limiting the Board's flexibility.

Chairwoman McCall stated that the FY 2027 Budget may represent one of the easier budget cycles compared to future years due to the challenges facing local governments. She emphasized that Commissioners are elected to make difficult decisions and that the Board has continued to do so.

She noted that changing circumstances, including changes to grant requirements and state-level decisions, require the County to remain flexible. She expressed confidence in the County Manager and staff's ability to monitor changing conditions, provide guidance, and incorporate Board and community priorities.

Chairwoman McCall expressed satisfaction with the FY 2027 Budget while acknowledging that it does not include every item the Board would like to fund. She reiterated that proceeding with the prior year's revaluation was necessary and placed the County in a stronger financial position.

She referenced other counties facing significant budget challenges, including proposed tax increases and use of fund balance, and stated that Transylvania County is fortunate to be adopting a balanced budget without a tax increase. She again thanked the County Manager and staff for their work throughout the year and during the budget process.

Commissioner Dalton moved to approve the FY 2027 Budget as presented. Commissioner Chapman seconded the motion, and it was approved unanimously.

NCACC LEGISLATIVE GOALS

The County Manager reported that every two years, in advance of the long session of the North Carolina General Assembly, the North Carolina Association of County Commissioners (NCACC) conducts a grassroots process to develop legislative goals that guide the Association's advocacy efforts at the state and federal levels.

The process begins with counties submitting legislative goals proposals that have been approved by their governing boards and affirmed through a resolution or letter from the Board Chair. The deadline for goal submissions is August 14.

Following the submission deadline, eligible proposals are referred to the appropriate NCACC Steering Committee based on the subject matter. Steering committees review the proposed goals and provide recommendations to the NCACC Legislative Goals Committee. The Legislative Goals Committee then reviews the recommendations and determines which goals will advance to the NCACC Board of Directors for consideration.

The NCACC Board of Directors considers and approves a recommended package of legislative goals, including any necessary technical corrections. The approved goals package is then presented to all 100 counties at the NCACC Legislative Goals Conference in November. Each member county appoints a voting delegate to participate in the conference and vote on the goals and their priority ranking.

At its previous meeting, the Board reviewed legislative goals submitted during prior cycles and discussed potential priorities for the upcoming legislative session. Discussion included concerns regarding unfunded state mandates, limitations on local revenue options, local control of school calendars, use of occupancy tax revenues, and issues affecting property tax authority.

Commissioners emphasized the importance of advocating for increased state support for mandated services and preserving flexibility for counties to address local needs.

Since the previous discussion, staff consolidated the potential legislative goals around the following guiding principles:

- The State of North Carolina should fully fund state-mandated services.
- State policy changes should not create unintended revenue losses or shift additional costs to county governments.
- Counties should have reasonable flexibility to address local needs and circumstances.
- State funding formulas should accurately reflect local fiscal capacity, economic conditions, and service demands.

- Public entities receiving taxpayer dollars should be held to consistent standards of transparency, accountability, and fiscal stewardship.
- Counties with unique geographic, environmental, tourism, or land-use characteristics should have access to tools that allow them to maintain a sustainable tax base while supporting statewide priorities.

Staff requested that the Board continue discussing potential legislative goals for submission to NCACC. Staff will request final approval of the goals no later than July 13 to meet the submission deadline.

The Manager encouraged Commissioners to review the groupings prepared by the Clerk under the established guiding principles. She explained that the NCACC submission process requires substantial background information and supporting documentation for each goal, and organizing the goals under common themes will assist staff in effectively presenting and advocating for the County's priorities.

The Manager turned the discussion over to the Board for additional comments.

Commissioner Chapman stated that the NCACC legislative goals process is an excellent and transparent process; however, he acknowledged that with 100 counties participating, not all goals receive legislative approval. He praised NCACC as one of the strongest county associations in the country and recognized Executive Director Kevin Leonard for his leadership and advocacy on behalf of counties in North Carolina.

Chairwoman McCall encouraged Commissioners to thoroughly review the groupings prepared by staff and be prepared to discuss questions, revisions, and final approval at the July 13 meeting.

Commissioner Dalton expressed support for continuing to advocate for a differentiated property tax rate for non-resident property owners, noting that the proposal has not gained significant support through the NCACC Tax and Finance Steering Committee because it has primarily been supported by mountain and coastal counties. He also encouraged continued advocacy for changes to the State's economic tier system, stating that the current system does not accurately reflect Transylvania County's economic circumstances. He noted that the County continues to be classified as a Tier 3 county despite believing its economic conditions more closely align with Tier 2 or potentially Tier 1 counties.

Commissioner Dalton stated that he would not be present for the July 13 meeting and wanted his priorities reflected in the record. He otherwise expressed support for the goals as currently drafted.

Chairwoman McCall recessed the meeting for a 10-minute break at 7:38 p.m. The Board reconvened at 7:48 p.m.

NEW BUSINESS

<u>LEASE AGREEMENT WITH VETERANS' HISTORY MUSEUM OF THE CAROLINAS</u>
The County Manager reported that Transylvania County has supported the Veterans' History Museum of the Carolinas (formerly the WNC Military History Museum) since its establishment by providing leased space to assist the organization in attracting visitors, expanding its donor base, and growing its operations.

For the past eight years, the lease terms have remained largely unchanged. The County has charged a below-market lease rate of $625 per month, which was intended to offset utility costs while supporting the nonprofit's growth and long-term stability.

The museum occupies the former County Administration Building, which is located on the same parcel as the courthouse and shares utility services. The building had originally been slated for demolition due to its condition. The current lease expires at the end of June and equates to an annual lease rate of approximately $2 per square foot, including utilities.

The Manager noted that the building's HVAC system has been an ongoing concern since the original lease was executed. Under the existing lease agreement, County staff cannot authorize the expenditure of County funds to replace the system.

The Manager reviewed the history of the lease agreements, noting that the lease rate has remained unchanged throughout the various lease terms. The primary changes over the years have involved the length of the lease term and the required notice provisions.

Military Museum Lease History								Building Square Footage: 4,863 sq ft	
Year	Term	Monthly Rent	Contract Total	Annual Lease Cost per Square Foot	Includes utilities?	Notice requirement	Interior/Exterior Building Maintenance	Other provisions	Notes
2018	1 year	$625	$7,500	$2	Yes	30 Day	Responsibility of Museum	County will not replace HVAC but will try to keep it operational via maintenance staff	
2019	1 month	$625	$625	$2	Yes	30 Day	Responsibility of Museum	County will not replace HVAC but will try to keep it operational via maintenance staff	
2019	2 years	$625	$15,000	$2	Yes	30 Day	Responsibility of Museum	County will not replace HVAC but will try to keep it operational via maintenance staff	Term lengthened for stability for museum ref fundraising
2021	2 years	$625	$15,000	$2	Yes	6 Months	Responsibility of Museum	County will not replace HVAC but will try to keep it operational via maintenance staff	Notice requirement increased for stability for museum ref fundrasing
2023	3 years	$625	$22,500	$2	Yes	6 Months	Responsibility of Museum	County will not replace HVAC but will try to keep it operational via maintenance staff	

The County Manager reported that, in addition to providing below-market lease space, Transylvania County has supported the Veterans' History Museum of the Carolinas through the County's annual nonprofit grant program.

Grant funding is separate from the lease agreement and is awarded through the County's nonprofit grant process. Applications related to history and cultural preservation are reviewed by the Joint Historic Preservation Commission, which makes funding recommendations for grants of up to $10,000.

The Manager noted that the museum has received grant funding through this process over the years. The history of grant awards is summarized in the accompanying chart.

Grant History	
Year	Amount
2018	Not Selected
2019	$1,000
2020	No App
2021	$2,500
2022	$2,000
2023	$1,000
2024	Not Selected
2025	No App
2026	No App
Total	$6,500

The County Manager reported that the former Administration Building has experienced ongoing maintenance issues throughout the term of the museum's lease, particularly with the roof and HVAC system. One HVAC unit is currently inoperable, and a portion of the roof requires replacement due to its age and condition. She noted that the Board must determine whether additional public investment in the building is warranted.

The Manager explained that the former Administration Building was evaluated, along with the courthouse and other County-owned facilities, as part of the County's comprehensive building assessment. The assessment will serve as the baseline for long-term capital maintenance planning. The former Administration Building was rated as being in below-average condition.

Should the Board determine that the building will remain in service, the assessment identifies anticipated maintenance projects and estimated costs over the next 10 years. The Manager noted that the long-term capital needs of both the existing courthouse and the former Administration Building present an opportunity for the Board to discuss the future use of County facilities once court operations relocate to the new courthouse, which is anticipated in late 2028.

The Manager stated that recovering utility expenses and long-term maintenance costs through future leasing arrangements could help reduce additional property tax pressures associated with operating the new courthouse. She noted that the Veterans' History Museum of the Carolinas, the Transylvania County Tourism Development Authority, and the City of Brevard have each expressed interest in occupying at least a portion of the existing courthouse building once it becomes available.

Based on the County's building assessment, current utility costs, estimated building and grounds maintenance expenses, and projected 10-year capital needs, the Manager reported that the County would need to recover approximately:

- $21 per square foot annually (including utilities) to break even on the existing courthouse building; and
- $12 per square foot annually for the former Administration Building, which currently houses the Veterans' History Museum of the Carolinas.

These estimates are based on the most recent annual utility costs, estimated building and grounds expenses, and projected 10-year capital maintenance needs.

	Utilities Annual	Annual Building Costs	10 Year Utilities+Building-no escalation	10 year maint capital-design/GC	Annual County Cost	Annual County Cost/Sq Ft	10 year total cost	Square Footage
Courthouse	$27,684	$20,055	$477,397	$3,553,273	$403,066.97	$20.44	$4,030,670	19,724
Military Museum Building	$6,826	$4,945	$117,703	$462,124	$57,982.73	$11.92	$579,827	4,863
Total	*$34,510*	*$25,000*	*$595,100*	*$4,015,397*	*$461,049.70*		*$4,610,497*	*24,587*

To establish a market baseline for lease rates, the County Manager reviewed comparable County lease agreements.

The County currently leases office space to the North Carolina Department of Adult Correction for Probation and Parole services at a rate of $17.91 per square foot, or $3,250 per month, exclusive of utilities.
The Transylvania County Tourism Development Authority (TDA) also has two recently renewed leases approved by both the TDA Board and the Board of Commissioners. The TDA office lease is $25.70 per square foot, or $2,125 per month, excluding utilities, taxes, common area expenses, and other operating costs, and includes three parking spaces. The TDA Visitor Center lease is at the same rate and results in a monthly payment of $3,832, also excluding utilities and shared operating expenses, and includes the remaining unmarked parking spaces in the Chamber of Commerce parking lot.

The Manager noted that these leases establish a current downtown market rate of $18 to $26 per square foot, exclusive of utilities and common area expenses.

The Manager reminded the Board that it has previously discussed appointing an advisory committee to evaluate future uses of the existing courthouse after court operations relocate to the new courthouse in late 2028. The estimated operating and capital costs for both the courthouse and former Administration Building provide a financial framework for those discussions by identifying the revenue necessary for the County to recover its costs. Those estimates could also serve as a basis for a future Request for Proposals (RFP), allowing interested organizations to propose future uses and demonstrate their ability to offset County expenses.

The Manager explained that revenues generated from future leases could help offset the increased operating, utility, maintenance, and security costs associated with the new courthouse. Although some operating costs from the existing courthouse will be transferred to the new facility, additional revenue sources will still be needed.

The Manager stated that the current lease arrangement with the Veterans' History Museum of the Carolinas represents a County subsidy because the lease rate is substantially below market value. The museum has expressed a desire to remain in the former Administration Building until space becomes available in the existing courthouse and has requested to participate in future discussions regarding use of the courthouse.

Regarding the building's HVAC system, the Manager reported that one unit has completely failed. Replacement is estimated to cost $20,000. As a short-term alternative, Maintenance staff could replace the compressor for approximately $5,000, although additional mechanical failures could still occur. Staff is also evaluating whether installing mini-split systems, at an estimated cost of $15,000, would provide a more economical solution for extending the lease. The museum has indicated it cannot afford the full HVAC replacement.

The Manager outlined several policy considerations for the Board as it evaluates a lease renewal:

- The lease expires June 30, 2026, making at least a short-term extension necessary if the museum is to remain in the building.
- The current lease rate has remained unchanged for eight years and is substantially below market value. County policy generally requires non-county organizations, including nonprofits, to pay market rates to avoid subsidizing non-county functions with public resources. The existing lease also specifies that the County is not responsible for replacing the HVAC system.
- The Board must determine whether the museum should be considered a County-supported service. Any subsidy, whether through direct funding or reduced lease rates, is supported by property tax revenues and may establish expectations for similar assistance to other nonprofit organizations.
- Continuing the current lease rate of approximately $2 per square foot would not recover the estimated $12 per square foot needed to cover the County's projected operating and capital costs for the former Administration Building over the next 10 years.
- Under North Carolina law, lease arrangements extending beyond 10 consecutive years are subject to public notice and competitive procedures similar to those required for the sale of public property. That threshold will be reached within approximately two years if the current leasing arrangement continues.

The Manager presented the following options for the Board's consideration:

- Approve a short-term lease extension while Maintenance staff continues evaluating more affordable HVAC solutions, with consideration of a longer lease once those issues are resolved.
- Approve a lease renewal of no more than two years, leaving responsibility for HVAC replacement to the museum while maintaining the current subsidized lease rate until the next renewal.

- As part of the long-range planning process for the existing courthouse, evaluate the future of both the courthouse and former Administration Building, including whether to retain or demolish the former Administration Building. Any future proposals from the museum, the City of Brevard, the Tourism Development Authority, or other interested organizations should, at a minimum, recover the County's costs unless the Board determines the proposed use constitutes a County service. Staff will provide additional information in the coming months regarding potential leasing arrangements, including both single-tenant and multi-tenant configurations.

The County Manager requested guidance from the Board regarding how it wished to proceed, particularly with respect to an interim lease extension given the June 30, 2026, expiration date.

Chairwoman McCall acknowledged that the County Manager had presented a substantial amount of information and stated that she had several questions, which she anticipated other Commissioners would have as well. She noted that the Board needed to determine how to proceed with the immediate lease renewal while also considering the long-term future of the property.

Commissioner Chapman disclosed that he no longer serves on the Board of Directors of the Veterans' History Museum of the Carolinas and, therefore, had no conflict of interest requiring recusal.

Commissioner Chapman stated that the future of the museum has been an ongoing topic of discussion for several years. He noted that the museum has repeatedly inquired about its long-term future in the former Administration Building, but the County has been unable to provide a definitive answer because the future use of the existing courthouse has not yet been determined.

Commissioner Chapman said this was the first time the Board had reviewed the projected operating and maintenance costs for the building and expressed concern that the museum would be unable to afford a market-rate lease. He stated that the Board must also consider the museum's value to the community, noting that it attracts numerous visitors and serves as an important resource for veterans and the public.

Commissioner Chapman recommended renewing the lease for two years, noting that by that time the Board should have greater certainty regarding future use of the existing courthouse. He acknowledged that the museum may not be able to pay a higher lease rate and suggested that those discussions could occur in the future. He added that while maintaining the building involves costs to the County, many other community assets also require public investment.

The County Manager clarified that, because the current lease arrangement will reach the 10-year statutory threshold within the next two years, future lease renewals would be subject to public notice and competitive procedures required under North Carolina law.

Commissioner Chapman moved to renew the museum's current lease for two years while the County continues evaluating long-term options for the museum and determines the future use of the existing courthouse.
Chairwoman McCall asked whether the motion would leave responsibility for HVAC repair or replacement with the museum. Commissioner Chapman replied that, under the existing lease agreement, responsibility for the HVAC system remains with the museum. He added that if the museum is unable to make the necessary repairs, it would be required to provide the notice specified in the lease before vacating the building.

Commissioner Dalton seconded the motion.

Commissioner Chappell asked for clarification regarding the estimated cost of installing mini-split HVAC systems. The County Manager reported that the estimated cost was $15,000 for two systems, each consisting of one outdoor unit with two indoor heads. She noted that staff also evaluated the possibility of installing window units as a lower-cost alternative; however, modifications to the windows would be required, making that option cost-prohibitive.

Chairwoman McCall asked for clarification regarding the lower-cost HVAC option. The County Manager explained that the approximately $5,000 option would only replace the compressor. While Maintenance staff believes the compressor is the primary issue currently affecting the system, the unit is obsolete, and other components could fail in the future, requiring additional repairs or replacement.

Commissioner Chappell thanked staff for including the potential Request for Proposals (RFP) process for future use of the existing courthouse. He encouraged consideration of proposals involving partnerships or multiple organizations rather than limiting the opportunity to a single tenant. He stated that a collaborative approach could make use of the space more feasible while ensuring the County's costs are addressed.

Regarding the motion under consideration, Commissioner Chappell suggested including a requirement that an RFP be issued within the two-year lease extension period. He stated that the two-year timeframe aligns appropriately with the anticipated opening of the new courthouse. He expressed that he was not supportive of investing in a new HVAC system for the former Administration Building given the building's overall condition and potential future use. He otherwise supported the motion.

Commissioner McKelvey acknowledged the difficulty of balancing the museum's value to the community with the financial realities of maintaining County-owned property. He noted that the lease rate has remained unchanged for eight years while County costs have increased and stated that he had not experienced a similar situation with his own commercial lease arrangements. He asked for clarification regarding the break-even cost for the building.

The County Manager reiterated that the estimated break-even cost for the former Administration Building is approximately $12 per square foot annually. She explained that this calculation includes utilities, annual building allocation costs, and projected 10-year capital maintenance needs, including design costs and construction management oversight.

Chairwoman McCall noted that the County's recent legislative funding requests to Senator Corbin and Representative Ferguson included separate requests for funding for the new courthouse and renovations to the existing courthouse. She reported that, during recent discussions with legislators, she requested that the two requests be combined into a single court facilities funding request. She acknowledged that funding is not guaranteed but stated that any assistance would be beneficial.

The County Manager explained that the existing courthouse could be occupied after court functions relocated; however, within the 10-year planning period, routine maintenance projects will be necessary, including items such as roof replacement. Those estimates do not include additional improvements that may be required to divide the building into multiple tenant spaces.

Chairwoman McCall stated that a multi-tenant approach may be the most practical solution for the existing courthouse and agreed that issuing an RFP would provide valuable information regarding potential interest and future options. She emphasized the importance of the Veterans' History Museum of the Carolinas to the community, describing it as a valuable asset with a significant history and recognizing the vision and efforts of Emmett Casciato in establishing the museum.

Chairwoman McCall stated that the Board has time during the two-year extension period to gather additional information and evaluate options before making long-term decisions. She expressed support for Commissioner Chapman's motion.

Commissioner Chapman noted that the existing lease agreement includes a six-month termination provision if circumstances significantly change. He stated that he does not believe most nonprofit organizations would be able to afford a market-rate lease for space in the existing courthouse, which may require the County to consider alternative approaches. He reiterated the importance of determining the future use of the courthouse and noted that the former Administration Building had originally been expected to be demolished.

The motion was approved unanimously.

FY 2027 NONPROFIT FUNDING APPROVAL
Budget and Management Analyst Jennifer Wright presented this item to the Board.

Ms. Wright reviewed the requirements of Session Law 2021-191 regarding recusal procedures for public officials serving nonprofit organizations. Under the law, any public official who serves as a director, officer, or board member of a nonprofit organization receiving County funds may not participate in making or administering contracts with that organization. The official must recuse themselves from deliberation and voting and may not attempt to influence the decision of other Board members.

Ms. Wright clarified that volunteering with or holding membership in a nonprofit organization does not constitute a conflict under the statute. Transylvania County may enter into contracts with nonprofits even when a Board member holds a leadership position with the organization, provided the official does not participate in the contract decision. Once any required recusals are recorded with the Clerk, the County may execute the FY 2027 Nonprofit Funding Agreements and authorize staff to administer the contracts.

Ms. Wright reminded the Board of the changes approved in February 2026 to improve the nonprofit funding process, including:

1. Online Application Form – Replaced the previous paper-based application with a streamlined online application utilizing existing County software.
2. Designated Housing Grant Funding – Established $20,000 in dedicated funding for housing-related nonprofit organizations based on recommendations from the County's housing study.
3. Direct Services to Citizens – Updated application criteria to emphasize that eligible nonprofits should provide direct services to residents.
4. Encouraging Partnerships – Added preference for nonprofit applications submitted jointly by organizations providing similar or complementary services.
5. SMART Goals – Encouraged applicants to identify SMART goals that are Specific, Measurable, Achievable, Realistic, and Time-Bound.

For FY 2027, the County received 30 nonprofit funding applications totaling $250,000 in requests competing for the available $100,000 funding allocation.

Ms. Wright explained that nonprofit funding applications were reviewed as part of the annual budget process by a committee consisting of representatives from Social Services, Public Health, and Planning and Community Development, along with Commissioners McKelvey and Chappell. Applications involving historical preservation were also reviewed by the Transylvania County Joint Historic Preservation Commission.

Each member of the funding committee completed an online evaluation for each application. Scores were used to rank applicants based on:

1. The organization's ability to provide services that enhance existing County services.
2. Alignment of expected outcomes with the County's strategic plan.
3. The scale of expected outcomes compared to the amount of funding requested.

Human Services Nonprofit Funding Awards
Ms. Wright reviewed the recommended FY 2027 nonprofit funding awards for organizations providing human services to Transylvania County residents. Recommended awards included:

- Blue Ridge Community Health Services, Inc. – $7,500 for dental clinic services for uninsured and underinsured patients.
- Bread of Life – $7,500 for the daily hot meal program and other food access initiatives.
- Cindy Platt Boys & Girls Club of Transylvania County – $2,500 for after-school Teen Night programming.
- Haven of Transylvania County – $7,500 for the new Love and Respect Restorative Community Center, supporting substance use treatment and recovery services.
- Housing Assistance Corporation – $10,000 for the vital home repair program serving low-income residents, with an additional $10,000 held in reserve pending a mid-year spending report demonstrating use of the initial award.
- Hunger Coalition of Transylvania County – $5,000 for the Pantry Partnership Supply Initiative supporting local food pantries.
- Meals on Wheels Brevard, NC – $7,500 for food costs associated with providing meals to homebound seniors.
- TC STRONG – $7,500 for the teen mental health and suicide prevention program.
- Transylvania Christian Ministry, Inc. ("Sharing House") – $7,500 for the Wheels to Work program, which provides reliable transportation resources to low-income individuals seeking or maintaining employment.
- Transylvania County Schools Educational Foundation – $7,500 for the Backpack Buddies program, which provides food assistance to children during school breaks.

Culture and Recreation Nonprofit Funding Awards
Ms. Wright also reviewed recommended FY 2027 nonprofit funding awards for organizations supporting cultural, historical, and recreational initiatives. Recommended awards included:

- Heritage Museum – $5,000 for preservation efforts, educational programming, and collection management.
- Historical Society – $5,000 for special projects at the historic Allison-Deaver House.
- Mountain School of Strings – $5,000 for the Rosman Appalachian Music Studies Program.
- Transylvania Farmers Market – $5,000 for programming, operations, and client service costs.
- The Transylvania County Honor Guard receives $3,000 annually through the Veterans Services Department. The Honor Guard provides military funeral honors and participates in other patriotic ceremonies throughout the year as requested.

Ms. Wright stated that, following any required recusals, staff recommended that the Board authorize staff to execute the nonprofit funding agreements. She noted that contracts without conflicts could be approved through a single motion, while any organizations requiring a documented recusal would need to be considered separately.

There were no recusals.

Commissioner Chapman asked whether nonprofit organizations receiving County funding are required to provide progress reports. Ms. Wright explained that organizations must provide updates regarding the use of awarded funds. Organizations that expend their funding earlier in the year must submit an update upon completion of those expenditures, while all organizations are required to provide a year-end report. These reports allow staff to evaluate outcomes and monitor the effectiveness of the funding. Ms. Wright noted that staff continues to evaluate ways to improve the reporting process moving forward.

Commissioner Chapman emphasized the importance of citizens understanding that nonprofit funding is not provided without accountability. He stated that the Board does not simply distribute funds and move on; rather, there is an established process for follow-up and oversight. The County Manager added that all nonprofits receiving County funds are required to execute a contract with the County.

Ms. Wright recommended approval of the FY 2027 nonprofit funding contracts. She also asked whether the Board wished to have the additional $10,000 in designated housing funds for Housing Assistance Corporation return to the Board for approval when requested, since the funding is being handled differently this year.

Commissioner Chappell thanked the members of the nonprofit funding review committee for their work. He noted that the committee reviewed a record number of applications with a wide range of funding requests and acknowledged that, while the committee would have liked to provide additional funding, available resources were limited. He stated that the updated rating process helped make the review process more consistent and manageable and expressed support for the recommendations.

Commissioner Chappell moved to approve the FY 2027 nonprofit funding contracts. Commissioner McKelvey seconded the motion, and it was unanimously approved.

Chairwoman McCall noted that she had previously served on the nonprofit funding review committee and stated that it was one of the most challenging committees on which she had served due to the difficulty of making funding decisions among many deserving organizations.

Commissioner Chapman moved that the additional $10,000 in designated housing funds be brought back to the Board for approval when requested by the Housing Assistance Corporation. Commissioner Chappell seconded the motion, and it was unanimously approved.

Ms. Wright thanked the Board for its consideration and stated that staff would proceed with administering the approved nonprofit funding contracts. She further noted that staff would bring the additional Housing Assistance Corporation funding request back to the Board for consideration when appropriate.

AMENDMENTS TO SCHOOL BOND PROJECT SCOPES, BUDGET AND TIMELINE

The County Manager asked Superintendent Dr. Lisa Fletcher to join the discussion to address any questions from the Board.

The County Manager reported that an interlocal agreement was executed in February 2025 between the Board of Education and the Board of Commissioners establishing the Education Capital Subcommittee. The Subcommittee was granted specific authority, including the ability to recommend revisions to project scopes. The proposed revisions require a budget amendment to proceed.

The proposed budget amendment would reallocate bond funds from the Brevard High School project scope to the Rosman Area Schools project scope and provide funding for a new secure vestibule standard at all schools beyond the vestibule improvements originally included in the project scopes.

The County Manager stated that the design team, County staff, and school staff developed the recommendation collaboratively. All parties support expanding the secure vestibule scope, and both the Education Capital Subcommittee and the Board of Education recommended approval of the budget amendment.

The secure vestibule prototype was developed in collaboration with principals from all schools through multiple dedicated design workshops. The goal was to replace a piecemeal approach with a consistent safety standard across all schools, ensuring similar protections for students and staff regardless of school location.

The new vestibule standard will include enhanced safety and security features such as:

- A single point of entry.
- Visitor screening.
- Improved staff visibility.
- Integration with law enforcement response.
- Intruder delay measures.
- Consistent security standards throughout all schools.

The County Manager noted that designs have been developed for each school in coordination with principals, school staff, and the Superintendent. However, detailed designs have not been publicly shared due to security considerations.

The County Manager reported that County and school staff developed a funding plan utilizing savings identified within existing bond-funded project scopes. The proposed funding strategy includes:

- $3.2 million from reallocating savings associated with the Brevard Middle School storage tank project, remaining funds within the Transylvania County Schools security scope following completion of the intercom project, and the previously approved funding allocation for the Rosman High School retaining wall project; and
- $2,184,218 appropriated from the Education Capital Fund balance.

The additional funding needed to implement the new secure vestibule standard at all schools is estimated at $5.4 million beyond the original project scopes.

The proposed budget amendments also remove completed items, account for items that will be addressed through the CTE grant project at Brevard High School, and add additional structural, air handling, and other identified needs not included in the original scopes.

The County Manager emphasized that without the expanded secure vestibule standard, the projects would remain under budget, even with additional items such as the retaining wall project. She stated that the additional funding request is driven primarily by the decision to establish a higher, consistent security standard while utilizing savings generated within the existing projects.

Budget Status with all adds/deducts and original scope budget comparison

	Original Scope Budget	Budget After Deduct Professional Fees and EC Wing	Budget After GMP1	Budget After Remaining Work	Budget after Remaining Work(incl rec adds, deducts) plus Alternates & Contingency	*Budget on original scope items only*
BHS2	$10,415,473	$8,852,214	$8,687,306	$4,489,492	$3,717,831	*$4,623,945*
BAS	$14,673,792	$13,653,883	$12,705,599	$2,178,592	$378,136	*$1,908,369*
RAS	$16,707,282	$15,618,620	$13,650,124	-$7,486,648	-$9,508,369	*-$4,073,284*
Total	$41,796,547	$38,124,717	$35,043,028	-$818,565	-$5,412,402	*$2,459,030*

Comparison Original Budget to Current with Deductions and Additions

	Available Budget Start	Blum GMP 1 and RW Total	RW Alternates	New Budget
BHS 2	$8,852,214	$4,362,722	$210,994	$5,134,383
BAS	$13,653,883	$11,475,291	$1,239,789	$13,275,747
RAS	$15,618,620	$23,105,268	$1,461,054	$25,126,989
Total	$38,124,717	$38,943,282	$2,911,837	$43,537,120

The Education Capital Subcommittee approved the recommended scope revisions and requested budget amendment on May 29, 2026. The Board of Education unanimously approved the budget amendment request on June 15, 2026, and authorized the Superintendent and County Manager, when in mutual agreement, to transfer up to 5% between project scopes without increasing the overall project budget.

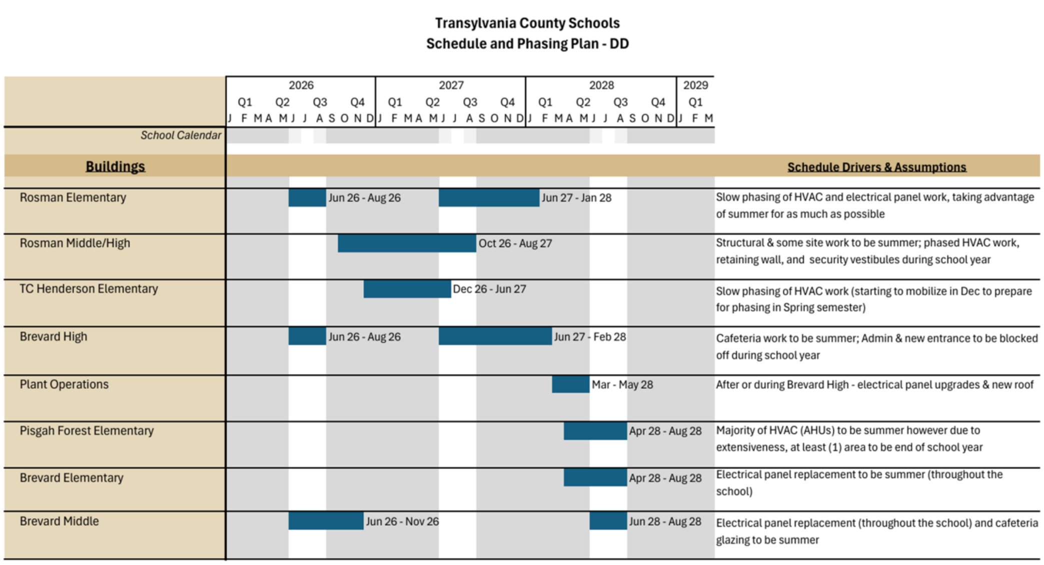
The recommended actions before the Board were:

1. Approve an appropriation of $2,184,218 from the Education Capital Fund balance through the proposed budget amendments to fund the expanded secure vestibule standard.
2. Approve authority for up to 5% of project funds to be transferred between scopes when approved by both the County Manager and Superintendent, provided the overall project budget is not exceeded.

The County Manager explained that the 5% flexibility was requested because the original architect contract was divided among project scopes based on anticipated costs. Since the recommended revisions significantly shift work toward the Rosman Area Schools scope, architectural expenses will also need to be adjusted. The flexibility would allow staff to make those adjustments as final costs are determined.

She also noted that the Construction Manager at Risk delivery method may identify savings in one project scope that could be better utilized in another scope, making the transfer authority beneficial for project management.

The County Manager confirmed that the overall project timeline remains unchanged, with completion of the bond-funded projects anticipated by the end of 2028, consistent with the timeline presented earlier by Project Manager Beecher Allison.



Commissioner Chappell, as a member of the Education Capital Subcommittee, expressed his support for the recommendation. He noted that the proposed changes do not remove any previously approved projects; rather, they add additional security improvements that have been requested by both citizens and the school system. He stated that, especially given today's climate, enhancing school security is appropriate and that the ability to accomplish this within the existing project framework is a significant accomplishment. Commissioner Chappell commented that without the State grant for the new CTE wing and relocation of Davidson River School to Brevard High School, this expanded scope would have been much more difficult to achieve. He emphasized that the County is not losing projects but instead gaining additional improvements, making it a "win-win."

Commissioner Chapman asked whether the location of School Resource Officers (SROs) was considered as part of the security review process. Superintendent Dr. Lisa Fletcher confirmed that SRO locations were part of the discussion to ensure they are positioned near the primary entrance areas. The County Manager added that input and guidance from the SROs were incorporated into the design process.
Commissioner Dalton asked whether Rosman High School and Rosman Middle School would have separate entrances or whether the entrances would be combined. Dr. Fletcher confirmed that the entrances would be combined into one secure entrance.

Chairwoman McCall requested clarification regarding the reference to moving funding from the retaining wall project. She wanted to ensure that this did not mean the retaining wall project would no longer be completed. The County Manager clarified that the project would still move forward; however, both the work and the previously approved funding allocation would shift to allow the County to manage that project directly.

Chairwoman McCall also clarified that the $2.1 million appropriation from the Educational Capital Fund balance was already available and would not require taking funds from another project. The County Manager confirmed that the funds are cash fund balance restricted for educational capital purposes.

Commissioner McKelvey noted that, as he stated during the Education Capital Subcommittee meeting, the total cost of the expanded security vestibule standard is $5.4 million. However, due to the collaborative efforts between the County and the school system, $3.2 million in savings from existing bond-funded projects can be reallocated, reducing the additional funding request to $2.1 million. He emphasized that the County is investing more in school safety and security while also utilizing project savings effectively. He thanked everyone involved in the process.

Commissioner McKelvey moved to approve the appropriation of $2,184,218 from the Educational Capital Fund balance in the budget amendments as presented to fund the new secure vestibule standard expanded scope and to approve the authority for up to 5% of funds to be moved between project scopes when the County Manager and Superintendent are in agreement. Commissioner Chappell seconded the motion, and it was unanimously approved.

MANAGER’S REPORT
The County Manager provided the following updates and announcements:

- The Transylvania County Schools Board of Education has adopted its strategic plan, and the document has been shared with the Board of Commissioners as required. Additional information is available on the Transylvania County Schools website.
- FEMA will be working with the North Carolina Floodplain Mapping Program to conduct engineering studies in specific areas that may be subject to inundation. The results of these studies will be incorporated into the Special Flood Hazard Areas that will be presented on the community’s Flood Insurance Rate Map. Public comments on the selected study methods for various areas are open through July 10. Additional information is available at flood.nc.gov/nccnms.
- As mentioned during the capital update report, County staff continues to work with the North Carolina Department of Environmental Quality (NCDEQ), the landfill cell contractor, and the project engineer to address sediment leaving the construction site as a result of landfill cell expansion activities. Staff is conducting water testing and implementing additional measures to determine any potential impacts and address the issue.
- Staff is investigating concerns regarding dogs at large that may be stray and potentially attacking animals. Traps have been set, and staff is utilizing photographs, videos, and other information provided by residents to help determine where the animals may be originating. If the animals are owned, the County will take appropriate action. The Manager reminded residents that Transylvania

County has a leash law requiring animals to remain on their owner's property or be restrained by a leash.

- The Manager extended condolences to the family and friends of former State Senator John Snow, who passed away on June 16 at the age of 80 following complications from dementia. Senator Snow served in the North Carolina Senate representing the 50th District from 2005 to 2011, which included Cherokee, Clay, Graham, Haywood, Jackson, Macon, Swain, and Transylvania counties.
- On June 9 and 10, Chairwoman McCall, Vice Chairman Chapman, and Commissioner Dalton, along with Board of Education Chairwoman Dalton, joined more than 320 county commissioners, local government officials, staff, and state legislators for the North Carolina Association of County Commissioners (NCACC) County Advocacy Days in Raleigh. The first day included steering committee meetings focused on key issues including emergency management, public education, public safety, and tax and finance, as well as a dinner program featuring a panel discussion on the state's political landscape. The second day included a policy briefing from the NCACC Advocacy and Policy Team followed by meetings with legislators at the Legislative Building to discuss county priorities. The Manager thanked the Board for its continued advocacy on behalf of Transylvania County citizens and local government.
- On June 11, the County Manager attended the quarterly meeting of the NCACC County Risk Group Board of Trustees in Raleigh. The Board discussed legislative and Association activities impacting local government risk pools, as well as risk control initiatives and member relations efforts. The Manager explained that the risk pool helps counties manage liability and insurance costs statewide. She also announced that she will be sworn in as Secretary/Treasurer of the NC City-County Management Association, beginning her progression through the Association's executive committee leadership, with the goal of serving as President of the Association in 2030.
- The Manager encouraged residents to celebrate Independence Day in downtown Brevard during an expanded two-day celebration honoring America's 250th anniversary. Festivities will begin on Friday, July 3, 2026, with an evening street festival on East Main Street, followed by a full day of community celebration on July 4. Event details and times are still being finalized, with additional programming expected to be announced as plans continue to develop.
- The Manager also highlighted additional events planned throughout the year in recognition of America's 250th anniversary, including the Appalachian Folk Festival at the Allison-Deaver House on June 27, Tales, Tunes & Tours at the Transylvania Heritage Museum on July 4, and Mighty Mountain Men – Traveling to Kings Mountain at the Mary C. Jenkins Community Center on July 9.

PUBLIC COMMENT

David Morrow, representing the Veterans History Museum of the Carolinas, thanked the Board for extending the museum's lease for an additional two years. He expressed appreciation for the opportunity to continue discussions regarding the future of the museum and the building. Mr. Morrow requested that the museum be involved in discussions regarding the HVAC work needed at the facility. He noted that some museum visitors and volunteers have experienced warm conditions in the building and asked about the anticipated timeline for completing the work, including whether improvements could be made before the July 4th holiday.

Ashley Hart, a Transylvania County resident and First Vice-Chair of North Carolina's 11th District Republican Party, thanked the Board for extending the lease with the Veterans History Museum. She stated that the museum is important to the community. Ms. Hart also addressed concerns regarding a public records request she submitted to the County. She acknowledged that state law does not require confirmation of receipt; however, she noted that other local governments provide a simple acknowledgment that a request has been received and is being reviewed. She respectfully requested that the Board consider updating its policy or practice to confirm receipt for public records requests.

COMMISSIONERS' COMMENTS

Commissioner Chapman recognized the County Manager's upcoming leadership role with the NC City-County Management Association and noted the strong representation Transylvania County has provided at the state level. He highlighted that the County has had the president of the NC Association of County Clerks, Board members serving on various state-level committees, and other local government leaders representing the County in statewide organizations.

Commissioner Chapman thanked Superintendent Dr. Lisa Fletcher, noting that he has received many positive comments regarding recent principal assignments within Transylvania County Schools. While the Board of Education makes those decisions, he stated that the changes have been well received and that he has heard positive feedback from the community.

Commissioner Chapman acknowledged the two candidates in attendance and encouraged them, if elected, to continue advocating for Transylvania County at the state level. He discussed the importance of the Board's ongoing legislative advocacy efforts and noted that recent state funding successes are the result of the County's willingness to actively engage with legislators. He referenced recent conversations with surrounding counties regarding state funding allocations and emphasized that Transylvania County's success is largely due to the Board's efforts to travel to Raleigh, meet directly with legislators, and communicate the County's priorities. He encouraged future elected officials to continue those relationships, noting that state legislators control significant funding resources and that counties must actively advocate for their needs.

Commissioner Chapman also emphasized the importance of maintaining sound financial practices and preparing for future challenges, including potential state actions that could impact counties' ability to generate revenue. He encouraged continued advocacy on behalf of the County and its citizens.

Chairwoman McCall moved to enter into a closed session per N.C.G.S. § 143-318.11 (a) (1) To prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of General Statutes, and N.C.G.S. § 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged, after a 10-minute recess, seconded by Commissioner Chapman and unanimously approved.

CLOSED SESSION

Pursuant to § N.C.G.S. 143-318.11 (a) (1) To prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of General Statutes, and N.C.G.S. § 143-318.11 (a) (3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged, a closed session was entered into at 8:54 p.m. Present were Chairwoman McCall, Commissioners Chapman, Chappell, Dalton, and McKelvey, County Manager Jaime Laughter, County Attorney John Kubis, Finance Director Meagan O'Neal, IT Director Nathanael Carver for technical support, and Clerk to the Board Trisha Hogan.

The Board consulted with the County Attorney and staff regarding a confidential matter.

Chairwoman McCall moved to leave the closed session at 9:54 p.m., seconded by Commissioner Chapman and unanimously approved.

OPEN SESSION

Chairwoman McCall 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 McKelvey and unanimously approved.

Chairwoman McCall called for a motion regarding the Board's discussion and direction provided during closed session.

Commissioner Chappell moved to direct the County Attorney and staff to send a certified letter to Connestee Fire Rescue regarding complying with audit questions for the purpose of negotiating a contract revision and/or a 90-day termination of contract, with this certified letter going to the Chief, Board Chair, and all Board Members of Connestee Fire Rescue, seconded by Commissioner Chapman and unanimously approved.

ADJOURNMENT

There being no further business to come before the Board, **Commissioner McKelvey moved to adjourn the meeting at 9:55 p.m., seconded by Commissioner Dalton and unanimously approved.**

S://Teresa K. McCall

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Teresa K. McCall, Chair
Transylvania County Board of Commissioners

ATTEST:

S://Trisha M. Hogan

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Trisha M. Hogan, Clerk to the Board