

MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
December 14, 2015 – REGULAR MEETING

The Board of Commissioners of Transylvania County met in regular session on Monday, December 14, 2015 at 7:00 p.m. in Commissioners Chambers at the County Administration Building.

Commissioners present were Vice-Chairman Larry Chapman, Jason Chappell, Chairman Mike Hawkins, Page Lemel and Kelvin Phillips. Also present were County Manager Jaime Laughter, County Attorney Tony Dalton and Clerk to the Board Trisha Hogan.

Media: *The Transylvania Times* – Derek McKissock

There were approximately 40 people in the audience.

CALL TO ORDER

Chairman Mike Hawkins presiding declared a quorum was present and called the meeting to order at 7:03 p.m.

WELCOME

Chairman Hawkins welcomed everyone to the meeting and thanked the members of the audience for participating in their County government. He introduced Commissioners and staff in attendance.

APPROVAL OF MINUTES

At the first regular meeting in December of each odd-numbered year, the first order of business shall be the approval of the minutes. Commissioners met in regular session on October 26, 2015 and November 9, 2015. (The Board cancelled the November 23, 2015 meeting being there was no pressing business to attend to.)

Commissioner Chappell moved to approve the minutes of the October 26, 2015 and November 9, 2015 meetings, seconded by Commissioner Lemel and Phillips simultaneously and unanimously approved.

ELECTION OF OFFICERS

At the first regular meeting in December of each odd-numbered year, the second order of business shall be the election of the Chair and Vice-Chair for the ensuing year, per NC General Statute 153A-39. The Clerk called for nominations for Chairman.

Commissioner Lemel moved to reelect Mike Hawkins as Chairman, seconded by Commissioner Chapman and unanimously approved.

The Clerk turned the meeting over to Chairman Hawkins for the election of Vice-Chairman.

Commissioner Chappell moved to reelect Larry Chapman as Vice-Chairman, seconded by Commissioner Phillips and unanimously approved.

Chairman Hawkins and Vice-Chairman Chapman thanked their fellow Board members for the opportunity to continue serving in these roles.

PUBLIC COMMENT

David Siniard: Mr. Siniard spoke to Commissioners about homeless students/youth. He works with at-risk students at Transylvania County Schools. He said there is a large youth homeless population in this County and many have severe drug problems. They live in poor conditions and many turn to illegal activity just to live. Mr. Siniard cited some of his experiences dealing with these young folks and how pitiful and sad their situations are. He stressed the need for a homeless shelter for our young people, just as the County did for animals by building a new animal shelter. Mr. Siniard asked Commissioners to keep these young people in mind as they make decisions for the County.

AGENDA MODIFICATIONS

There were no agenda modifications.

Commissioner Lemel moved to approve the agenda, seconded by Commissioner Phillips and unanimously approved.

CONSENT AGENDA

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

The following items were approved:

DISCOVERY, RELEASE AND MONTHLY SETTLEMENT REPORT

Each month the Tax Administrator prepares a listing of proposed releases for that month. The Board of Commissioners has the responsibility of approving the releases. For October, no tax dollars were released and refunds totaled \$719.44. For November, no tax dollars were released and refunds totaled \$1,014.03. Commissioners approved the Discovery, Release and Monthly Settlement Reports for October and November 2015.

CANCELLATION OF THE DECEMBER 28TH BOARD OF COMMISSIONERS MEETING

Staff recommended the Board of Commissioners cancel the December 28, 2015 regular meeting. There is no pressing business and the meeting falls in the Christmas holiday season. Commissioners approved the cancellation of the December 28, 2015 regular meeting of the Board of Commissioners and instructed the Clerk to post notice.

RECORDS RETENTION SCHEDULE-SHERIFF'S OFFICE

The NC Department of Cultural Resources has made changes to the Records Retention and Disposition Schedule for the County Sheriff's Office. Many of the amendments are due to legislative changes. Commissioners approved the Records Retention and Disposition Schedule for the Sheriff's Office and instructed the Clerk to obtain the necessary signatures and forward to the NC Department of Cultural Resources.

PRESENTATIONS/RECOGNITIONS

RECOGNITION OF CITIZEN ADVISORY COUNCIL MEMBERS

In July of this year, the Board of Commissioners approved a recommendation by Commissioner Lemel to implement a recognition program for the purposes of expressing the Board's appreciation to citizens who volunteer their time and expertise on the County's many citizen advisory councils. Commissioners intend to recognize citizen volunteers on a semi-annual basis. For those retiring or resigning in 2015, staff decided to recognize these citizen volunteers retroactively to January. There are a few citizen volunteers who have moved out of the County and the Clerk will ensure their certificates are mailed to them. She will also mail certificates to those not in attendance. Commissioners presented each citizen volunteer in attendance with a certificate of appreciation and coffee mug.

Those in attendance were:

- Agricultural Advisory Board: Carroll Parker
- Board of Health: Jeanne Byrne
- Brevard Planning & Zoning Board: Gary Daniel
- Community Appearance Initiative: David Morrow
- Joint Historic Preservation Commission: Gene Baker and Edith Darity
- Personnel Board: Beth Landreth and Bill Ragland
- Workforce Development Board: Bill Ragland

Commissioners, along with members of the audience, showed their appreciation for these volunteers by a round of applause.

TRANSYLVANIA ECONOMIC ALLIANCE SEMI-ANNUAL REPORT

Transylvania Economic Alliance Executive Director Josh Hallingse presented the second semi-annual report to Commissioners. The first report was presented in July. Here is a summary of his presentation:

Announced Business Expansions

- June 15, 2015 – OGRE Outdoors selects Transylvania County for its new location
- August 3, 2015 – New Excelsior announces 30 new jobs for Transylvania County
- November 17, 2015 – Flymen Fishing Company breaks ground on new headquarters in Brevard

Strategic Plan & Brand Implementation

- Organizational Development
 - Board of Directors
 - Deborah Hall, Brevard College (serving as at-large member)
 - Full Time Staff
 - Josh Hallingse (Executive Director) & Kristi Olson (Marketing and Communications Director)
 - Alliance Open House – hosted over 60 people in October
 - Natural Advantage E-newsletter
 - Official website launch
 - Metrics document development

Community & Organizational Metrics

- Economic measures indicate the County's successes and challenges. Some of these are:
 - Population
 - Employed
 - Unemployed

- Labor force
- Unemployment rate
- Peer Counties in North Carolina
 - How does Transylvania County perform compared to peer communities?
 - Peer communities are defined as having similar characteristics to Transylvania County
- Overall Organizational Performance – Metric used by Board of Directors to measure performance of Executive Director and helps to understand over the long term trends as an organization
 - Total leads generated
 - Total projects generated
 - Total projects visited
 - Projects located in our community
- Existing Business activity
- Budget Breakdown
 - Revenue
 - Transylvania County: \$410,850
 - Other: \$15,000
 - Private Investors: \$10,000
 - **Total: \$435,850**
 - Expenses
 - Operations (rent, insurance, utilities, travel/mileage, startup costs): \$82,210
 - Marketing/Product Development (business networking meetings, expansion and retention fund, client visits, identification-evaluation report and funding to initiate related recommendations, marketing activities): \$185,000
 - Other Expenses (financial audit, Form 990 Production, bank service charges): \$6,100
 - Salaries and Related Expenses (salaries, payroll taxes, fringe benefits): \$162,540
 - **Total: \$435,850**
- Marketing - creation of website as the first point for clients and potential clients seeking information; Mr. Hallingse navigated the website to show Commissioners and the audience the different components:
 - Track sites and buildings and market to existing and potential businesses through a Sites and Buildings platform on the website; customizable and searchable tool
 - Maps to communicate visually; interactive; features national, regional and local maps pinpointing education institutions, access to interstates, natural resources, etc.
 - Community profile helps companies understand what Transylvania County looks like visually as a community, and understand its major assets, workforce and wage rates
 - Industrial Products and Suppliers Directory to allow existing businesses to find and network with each other when they are looking for a service or good
- Generating Marketing and Lead Generation Activity – 26 leads over the past quarter broken down into the following :
 - Target Market Breakdown
 - Other
 - Tourism
 - Beverage
 - Outdoor Gear Manufacturing
 - Niche Manufacturing
 - Creative Services
 - Food and Organics
 - Existing Building vs. Site inquiries
 - 81% Existing Building

- 19% Site
- Building Square Footage Breakdown inquiries
 - 44%=1,000-9,999
 - 33%=10,000-24,999
 - 6%=25,000-49,999
 - 11%=50,000-99,999
 - 6%=100,000+
- Site Acreage Breakdown inquiries
 - 40%=1-5 acres
 - 20%=5-10 acres
 - 20%=10-25 acres
 - 20%=25+ acres

Product Development Efforts

- Critical challenge; organization working to identify a pathway forward
- Property Identification and Evaluation Study-October 2015; task force comprised of various stakeholders
 - Task 1 – Review target sectors
 - Task 2 – Review existing sites and buildings
 - Task 3 – Create and update GIS mapping tool
 - Task 4 – Identify potential sites
 - Task 4 – Evaluate and rank identified properties
 - Task 6 – Recommendations (March 14, 2016)

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

Commissioner Lemel expressed excitement about the website. She was especially pleased with the accessibility and interactive features. She said she looks forward to hearing from Mr. Hallingse in March about how to deal with the County's product development challenges.

Commissioner Chapman asked what the organization feels its priorities should be. He wants to ensure the Board of Commissioners is supporting this work and making the right investments. Mr. Hallingse said the organization's number one priority is supporting existing businesses and working with them on retention and expansion opportunities. Existing businesses have significant challenges planning their growth because there are no sites and buildings for expansion. Based on their feedback, the organization is working diligently to develop a specific sites and buildings recommendation, not only for this organization, but also for other partners such as City of Brevard, Town of Rosman, and utility providers, in order to understand how to provide product for growth opportunities for existing businesses, as well as target businesses.

At the request of Chairman Hawkins, Mr. Hallingse recognized his Board members in attendance. They were Chair Mark Tooley, Vice-Chair Dee Dee Perkins and Product Development Chair Jeremy Owen.

Chairman Hawkins referred to a recent article in *The Asheville-Citizen Times* about the economic situation in Western North Carolina. The article indicated that the new census data for Buncombe and Transylvania Counties showed significant increases in median income. The analysis pointed out that Buncombe County's increase was due to the number of transplants and young professionals coming into the area, etc.; whereas, in Transylvania County it was based on affluent retirees and the migration of people leaving here and working elsewhere. Chairman Hawkins asked if there is evidence of this happening. Mr. Hallingse said the organization has access to demographic information which was

referenced in the article. This is why the organization intends to track those community-wide indicators in their metrics document to understand what is happening and why and how the community can prepare and impact those key metrics. Mr. Hallingse said as a young professional he is attracted to this community because of its assets that are good families, affordability, natural assets, nice downtown, parks and recreation, and other areas that contribute to quality of life. Chairman Hawkins followed up by asking if these metrics impact the County's planning and how it thinks about growing the economy. Mr. Hallingse said this stresses the need for a plan for product development that will allow the County to recruit for jobs to the community. He thinks people want to live and work here and he believes the County has a good plan in preparing for the future and creating quality jobs and employment opportunities here.

Commissioner Chapman emphasized the importance of the upcoming budget and he asked Mr. Hallingse and his Board of Directors to work with the Manager to determine their needs and ensure a return on investment. Mr. Hallingse said this is the very reason the organization is moving forward with the product development property identification and evaluation process. They want to identify site opportunities, but also to evaluate those properties based on common site selection criteria so they can bring specific recommendations to the Board of Commissioners. He feels confident that the organization's request from the County will provide the greatest potential for return on investment.

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FY 2014-2015

The laws of the State of North Carolina, along with policies and procedures of the North Carolina Local Government Commission, require that all local governments in the State publish a complete set of financial statements annually. Kari Dunlap from Martin Starnes & Associates presented an overview of the FY 2014-2015 Financial Report. There were no findings for the period. The County received final approval of the FY 2014-2015 audit from the Local Government Commission on December 8, 2015. This is a summary of the presentation:

Audit Highlights

- Unmodified opinion
 - Auditors found no material misstatements that led them to believe the financial statements would be misleading to the reader
- Cooperative Staff
- New GASB 68 standard implemented
 - Affected all units in the State that participate in the State Retirement Plan
 - State provided each governmental unit with their amounts to be recorded for their portion of the State Plan.
 - Changes affected the full accrual statements
 - County had a restatement to net position, which resulted in a decrease of net position

Audit Presentation

- Planning and risk assessment
 - Starts when leaving the field the previous year
 - Read Board minutes throughout the year
- Interim procedures
 - Compliance and IC testing to review internal controls of the County, perform walk-throughs of cash collection points and test compliance at departments, such as Social Services and Sheriff's Office
- Final procedures
 - Perform financial statement analysis and begin drafting of the Financial Statements
 - Issue audit opinion

- Information being presented is through June 30, 2015

General Fund Summary

- Revenues increased 4.57%
 - Include transfers in and capital lease obligations issues
- Expenditures increased 6.98%
 - Include transfers out

Total Fund Balance-General Fund

- Increase of 2.6%
- Totals \$24,161,663

Fund Balance

- Available fund balance as defined by Local Government Commission (LGC) is calculated as follows:
 - Total Fund Balance less non-spendable (not in cash form, not available) less stabilization by State Statute (by State law, not available) is the Available Fund Balance
- Calculation utilized as the basis for comparing Transylvania County to other units and calculating the County's fund balance percentages

Fund Balance Position-General Fund

- 2015 – non-spendable includes pre-paids of \$10,018 and inventory of \$31,274
- 2014 – total Fund Balance \$23,546,719 less pre-paids of \$11,115, less inventory of \$29,618, less State Statute of \$3,021,928=\$20,484,058
- Total increase of \$317,183 or 1.5%

Fund Balance

- Serves as a measure of the County's financial resources available
 - Assets – Liabilities – Deferred inflows of resources = Fund Balance
- Five Classifications
 - Non-spendable – not in cash form
 - Restricted – external restrictions (laws, grantors)
 - Committed – internal constraints at the highest (Board) level-do not expire, require Board action to undo
 - Assigned – internal constraints, lower level than committed
 - Unassigned – no external or internal constraints

Fund Balance Position-General Fund

- Non-spendable – inventory and pre-paids total \$41,292
- Restricted: Stabilization by State Statute total \$3,319,130; Other Restricted totaling \$511,668, includes general government, public safety, human services, and cultural and recreation
- Committed - \$1,616,779 general government-retiree health insurance, \$960,619 law enforcement officers retirement; total \$2,577,398
- Assigned - \$4,934,391, includes subsequent year expenditures of \$1,389,095, general government (self-insurance \$977,740 and compensated absences \$965,402) (\$1,602,154 remaining is for various items for public safety, economic development, human services and cultural and recreation
- Total Unassigned Fund Balance increased \$258,455 or 2% over 2014

Unassigned Fund Balance as Percent of Expenditures-General Fund

- Internal calculation of fund balance percentage; different from LGC calculation because excludes all restrictions, commitments and assignments
- Unassigned Fund Balance (numerator)/Total Expenditures + Transfers Out (denominator)
 - $\$12,777,784/\$46,172,221 = 27.7\%$

Fund Balance as a Percent of Expenditures and Transfers to Other Funds-General Fund

- Calculation is used by LGC for fund balance percentage which dictates unit letters, etc.; LGC recommendation is 8% of expenditures
- 2015=5.6 months of reserves; compared to 2014 which had 5.9 months reserves
- For FY 2015 the Unassigned Fund Balance represents 27.7% (3.5 months) of expenditures and transfers out; this percentage in FY 2014 was 29.2% (3.7 months)

Top Three Revenues: General Fund

- Top three comprise \$41,578,674 or 89% of revenues
 - Ad Valorem Taxes-59%
 - Local Option Sales Tax-15%
 - Restricted Intergovernmental-15%
 - Other Revenue-11%
- Property Tax
 - Increase from prior year of \$574,031 or 2.1%
 - Tax rate increased from \$0.4369 to \$0.4469
 - Also had an increase in collections due to State collection of motor vehicle taxes on a prepaid basis with a higher collection rate
 - Transylvania County's tax collection rate for FY 2015 was 99.87% compared to prior year of 99.79%
- Sales Tax
 - Increase of \$451,640 or 6.9%
- Restricted Intergovernmental
 - Increase of \$402,024 or 6%

Top Three Expenditures: General Fund

- Top three functions comprise \$33,320,266 or 74% of expenditures
 - Education-29%
 - Other Expenditures-26%
 - Public Safety-25%
 - Human Services-20%
- Education
 - Increase of \$332,836 or 2.6%
- Public safety
 - Increase of \$777,256 or 7.3%
- Human Services
 - Increase of \$466,540 or 5.5%

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

Chairman Hawkins noted that the auditors examine all transactions and ensure they are handled properly. He asked for confirmation that the audit of the County's finances showed nothing of significance. Ms.

Dunlap confirmed his statement and reported that the auditors remain in contact with the Finance Director numerous times throughout the year.

Commissioner Chappell thanked Ms. Dunlap for explaining the fund balance in great detail, especially noting that much of it is allocated according to State statutes. He also noted that the prudence of this Board and previous Boards has allowed the County to complete projects without borrowing huge sums of money.

Commissioner Chapman thanked Finance Director Gay Poor and her staff for the work they do to manage the County's finances.

Chairman Hawkins commented about the general trend line showing an increase in spending. He believes it is important for the public to understand that at least a portion of the additional spending has been pushed down from State and federal levels. The County is being asked to assume burdens that it has not had to in the past, especially in areas such as education, human services and public safety. He also pointed out that while the fund balance is 27% of expenditures, there are many areas in which the Board has yet to designate funds. The Board is committed to a minimum level of 15%.

STATE OF THE YOUNG CHILD REPORT

Background-State of the Young Child in Transylvania County

One of the greatest indicators of overall quality of life for a population is the quality of life for the most vulnerable populations within the community. Children under five years of age depend completely on family and community to provide the right start and ensure that developmental milestones are being met. Early environment has a lasting impact on the development and life of each child and is also a factor in that child's future economic success. Making sure that children have the right environment to learn and develop is not only an ethically sound practice, but it is also critical to the community's economic development. Parents in the workforce today need quality childcare in order to be productive at work and children are the workforce of our future. Economists nationwide are weighing on the importance of children to the economy. Extensive research has been conducted on the return on investment in early childhood education, finding a 16% return on investment with 80% going to benefit the general public. In other words, there is an \$8 return for every \$1 invested with \$6.5 for public benefit (Federal Reserve Minneapolis). Other economists are beginning to cite the declining nationwide birthrate for creating an imbalance in the economy, with a growing gap between working age populations that fund social programs and populations that are dependent on those programs. This gap makes the investment in early learning critical to ensuring the future workforce, while smaller, can sustain economic vitality.

In the spring of 2015, Chairman Hawkins and Commissioner Lemel began discussions about concerns being raised by citizens regarding the availability of childcare, kindergarten readiness, and how services are coordinated for the youngest and most vulnerable members of our community. They requested that County Administration bring together service providers for children in the 0-5 age group for discussion on the needs of this population in Transylvania County. The first workshop was held in the spring of 2015 to brainstorm topics of concern and to illustrate and define what it is like to be a child in Transylvania County. At that time, the group agreed to meet monthly for a period of three months to gather data on different topics and continue the discussion to shape a picture for the public of the lives of children in this community. This report is a result of this collaborative effort and it is intended to use data to identify needs so the task force can begin developing ways to improve and better serve our citizens. Some of our children live in environments that are unable to support the developmental milestones needed for a successful school, career and life. Our community has opportunity to support these children and families to secure our collective future and stem the tide of growing social service demands.

The Manager's presentation highlighted some of the data that the task force reviewed. She reported that some of the data is shocking. Many people think of Transylvania County as a vibrant community and great place to live. Some of the data still reflects this sentiment, but there are some areas that should be wake-up calls for this community on what it is like to be 0-5 in Transylvania County.

The workshops discussions were broken up into different topics. The Manager asked all of the task force representatives to share data to ensure the report showed a complete picture of this age group.

Highlights-Health and Mental Health

- 83% of children are up to date on vaccinations exceeding the state goal of 76% for 2015
- 51% of children ages 1-5 who have Medicaid do not use any dental services
- Infant deaths, failure to thrive and premature birth rates were close to the State average; low and very low birth weight rates were higher than the State average
- 17 out of 35 infants enrolled in Care Coordination for Children were undergoing treatment for opiate withdrawal symptoms
 - That is a rate of 4,560 per 100,000 births, more than 7 times the statewide average of 620 per 100,000 births
- Drug screen results among pregnancy care management patients
 - 51% had negative drug screen
 - 44% had a positive drug screen
 - Only 5% of those with a positive screen were seeking treatment
- Number of babies monitored and treated for neonatal substance abuse grew significantly from 2013-2015
 - This can specifically set a child back for the rest of their life
 - This is also our future workforce and future community

Highlights-Early Education and Child Care

- The reimbursement rate to a 5-star center for infant/one year old care has increased by \$236 per month from last year and two year olds by \$202 per month effective January 1
 - Subsidy reimbursement rates issues by the State is based on a star rating system and age category
 - If childcare centers do not charge private pay the same rate as they do for subsidy pay, they would not be able to receive the subsidy pay
- Transylvania County will be 6th highest in the state in child care rates
- It costs almost double to send an infant for care in our county than to send a child to a public college in North Carolina
- The average two income household can expect to spend 27.8% of their income on one child in care and over half for two children
 - State average is \$9,107
 - New County rate for infant care will be \$11,700
 - New County rate for 3-4 year old care will be \$7,464
 - Public College Tuition State average is \$6,514
- 274 children in 9 full time regulated child care centers/preschools and 1 family child care home in our community
- 20 developmental day slots for children with special needs
- 50 children with special needs served by teacher of service provider
- 255 children at 4 part time church based preschool programs and 1 non-traditional drop in center
- 47 children in Head Start at County child care centers
- 18 children in Early Head Start
- 15 children in Early Head Start at EHS childcare partners
- 62% of children entering kindergarten this year had attended preschool

- 38% of children entering kindergarten this year had not attended preschool
- 78% of kindergartners tested below or far below proficiency at the beginning of the 2015 school year
- DHHS regulates childcare centers and the curriculum; DPI regulates public school systems; there is a division between those agencies about how to teach a 5-year-old in preschool versus a 5-year-old in kindergarten
 - Issues starting to get statewide attention
 - Need statewide advocacy to get traction
 - Task force is looking at how those children who participated in preschool scored in kindergarten readiness and determine if there are programs that are more effective in the community versus others so we can work to support curriculum that will help these children as they enter kindergarten

Highlights-Family Life and Poverty

- A household with two adults and two children would need both adults to earn an hourly rate of \$13.96 (almost 300% of the poverty rate) to live in Transylvania County without assistance
- A child is more likely to be living in poverty in Transylvania County than the chances for all individuals
- 29.7% of children living in Transylvania County live in poverty, versus 14.8% among all ages
- Transylvania County median worker income: \$22,034 compared to NC: \$ 27,425
- Transylvania County median household income: \$46,556 compared to NC: \$41,952
- Separation among those that bring wealth into the community (retirements) versus those who are working within the community
- 18 children under the age of 18 are homeless in Transylvania County (point in time count)
 - School System includes those teens who are doubling up and couch-surfing, so their numbers are much larger
- The Haven has served 42 children ages 0-5 in the shelter since 2012 and 45 children ages 0-18 in the Family House since 2014; 10 families are on the Family House waiting list as of this date

Task Force and Next Steps

The Manager hopes this information will inspire the Board, our partners and the public to want to get involved to look at ways to address these issues. The task force represents many different groups around the community that serve children. (The Manager gave special thanks to Tara Rybka, Public Health Educator in the Health Department, for design and formatting support on this report.) The task force will continue to meet and start to look at ways to partner. Being Transylvania County is a small rural community, it is important to ensure there is no duplication of resources and that groups are working together to address these problems. There are many services being provided in the community and all agencies should be working together in partnership to enhance those services for families. United Way has already stepped forward and agreed to be a funding partner. The task force will also be exploring grant opportunities to leverage outside funds to address some of these issues. The Manager requested Commissioners express their thoughts on the report and for the County to act as a collaboration mechanism for these groups, including public agencies and non-profits.

Commissioner Lemel thanked the Manager for the work she put in on this report. While the information was not what anyone would want to see in their community, the challenge now is for the community to respond. She noted that the 0-5 population makes up 4% of the community, which equates to 1,500 individuals. The challenge for us as a County is to embrace that 4% and really make a difference in their lives. Commissioner Lemel noted, as indicated in the audit report earlier, there's a large percentage of the County's revenues being on social services which continues to grow. She said we have an opportunity to

make a difference in the quality of life of our youngest citizens so they can be productive and contributing citizens as adults and for the betterment of the entire community.

Commissioner Phillips thanked all those for the work that went into this report. He reported that a recent presentation to the Board of Health by a nurse who works with at-risk children was just as shocking. He said it is past time that we shed light on what many of us do not see in our own lives every day and important that we start helping these children and assist those already working to help these children and families.

Commissioner Chapman agreed the data was shocking. He asked Commissioners to discuss what the appropriate next steps should be.

Commissioner Lemel responded. She pointed out that United Way is interested in being of assistance. WCCA has also offered their services. The task force has engaged other counties in conversation about how they started tackling some of these same issues. There is an abundance of services available already, but in many ways this community has not done a good job of directing children and families into those services. There are great agencies working hard for young children, but some agencies do not know what other agencies do. This is going to take a collaborative effort to ensure no duplication of services. There is also no single portal of entry into the system. Commissioner Lemel believes one of the first steps is to identify an opportunity to make sure families are aware of the services available to them. She noted that WCCA will be helping us this year hold our first kindergarten readiness rally. This is an opportunity to assemble the appropriate agencies in one location to start educating young families on the services that are available to them. It will require having a structure and plan for creating a single portal of entry.

Chairman Hawkins suggested charging the task force to bring back a recommendation to the Board in the spring of 2016 with specific steps that can be taken over the next year to start addressing some of these issues. The task force can also assist with determining an organizational structure.

Commissioner Chapman commented about drug use and addiction being a major issue and noted there is no public safety sector member on the task force. He feels this is an area they need to be familiar with and offer their assistance and expertise. Commissioner Lemel said the task force is very open to adding members that have an interest in this area. The Manager stated she had an opportunity to serve on an advocacy group in Henderson County. In her work there, she learned that once the data is made public and people have an opportunity to absorb the information, citizens will take interest and want to get involved. The County does not necessarily have to develop a program. She believes some of this will happen organically and she expects the community will present ideas to help address this problem.

Commissioner Chappell expressed how truly staggering this report is and noted there is an even greater challenge with no longer having a birthing center located here in the County. This is a great concern for him and he has personal experience of how having a birthing center here saved the life of his child. Commissioner Chappell suggested task force membership from Mission Health and Park Ridge because they now provide birthing services for Transylvania County. He agreed that as this report becomes public there will be greater participation by members of the community. As a huge advocate for public education, he said no amount of money will help children in school unless they first have a solid foundation.

Commissioners thanked all those involved on this task force and for the work they put into this process. Commissioners look forward to receiving a recommendation in the spring.

APPOINTMENTS

TOURISM DEVELOPMENT AUTHORITY

The terms of Mike Hawkins, Gordon Strayhorn and Lori Roberts expire at the end of December. Gordon Strayhorn is not eligible for reappointment. It is the recommendation of the Tourism Development Authority members to reappoint Mike Hawkins and Lori Roberts and appoint Grant Bullard to replace Gordon Strayhorn. There are five applications on file.

Commissioner Lemel moved to reappoint Mike Hawkins and Lori Roberts and appoint Grant Bullard to replace Gordon Strayhorn at the end of his term. The motion was seconded by Commissioner Chapman. The motion was approved unanimously.

TRANSYLVANIA NATURAL RESOURCES COUNCIL

There is one vacancy on the Transylvania Natural Resources Council (TNRC). The Clerk has two applications on file. The TNRC recommends the appointment of Daniel “Woody” Noland to fill the vacancy.

Commissioner Lemel moved to appoint Daniel “Woody” Noland to fill the vacancy on the Transylvania Natural Resources Council, seconded by Commissioner Chappell and unanimously approved.

JUVENILE CRIME PREVENTION COUNCIL

There are four vacancies on the Juvenile Crime Prevention Council (JCPC). They are: Commissioner Appointee, Chief of Police or Designee, Student, Mental Health Director or Designee. The Clerk recently placed an advertisement for the Commissioner Appointee and set the application deadline for January 15, 2016. The JCPC membership is working on the Chief of Police and Student vacancies. Ms. Susan Huter has begun attending the meetings representing Mental Health. She is the Director of Prevention Services at SAFE.

Commissioner Lemel moved to appoint Susan Huter to the Juvenile Crime Prevention Council to fill the Mental Health Director or Designee, seconded by Commissioner Chappell and unanimously approved.

NURSING & ADULT CARE HOMES ADVISORY COMMITTEE

The terms of Marty Griffin, Kay Hunter, and Madelyn Meyer expired in June. All are eligible for another term being there are no term limits; however, Marty Griffin does not wish to be reappointed. The delay in these appointments is due to the Clerk’s difficulty in getting in touch with one of the members. That has now been resolved. There are also two vacancies. The Clerk advertised for the vacancies in November with an application deadline of January 15, 2016.

Commissioner Lemel moved to reappoint Madelyn Meyer and Kay Hunter to the Nursing & Adult Care Homes Advisory Committee, seconded by Commissioner Phillips and unanimously approved.

BOARD OF HEALTH

The terms of Dr. Gus Tucker (Dentist), Jeanne Byrne (Nurse) and Kelvin Phillips (County Commissioner) expire at the end of December. Dr. Tucker has retired and moved out of the County. Ms. Byrne is not eligible to serve another term. In addition, there are two other vacancies representing the General Public and Professional Engineer profession. The Clerk continues to advertise for these vacancies (as well as the Nurse position that expires at the end of December).

There is one application on file. There was a second applicant but she moved out of the County. The applicant is a retired physician, but does not qualify for the General Public position, per Health Director Elaine Russell, because accreditation requirements are strict in that the member must truly be someone from the general public. There is already a Physician representative on the Board of Health. The Clerk set an application deadline for January 15, 2016 for the three vacancies.

Commissioner Chapman moved to reappoint Commissioner Kelvin Phillips to another term on the Board of Health, seconded by Commissioner Lemel and unanimously approved.

OLD BUSINESS

ANIMAL CONTROL UPDATE

Transylvania County Animal Shelter received notices of violations stemming from a State review in the fall of 2015. At the time of the meeting with Dr. Patricia Norris with NC Department of Agriculture to review the violations, County Administration requested assistance in reviewing a draft procedures manual that had already begun and to revisit the shelter for a review by the end of the year to assure that corrective action had been taken.

On November 24, 2015, Dr. Norris conducted a review of the shelter. Her findings reflect that all problems have been corrected. During the visit, the shelter and staff were commended for the cleanliness and organization of the facility. The new procedures and operations manual was thoroughly reviewed receiving only two comments to make corrections that dealt with using the same legal language used at the State level. Dr. Norris requested that they be able to use the new manual as an example and staff agreed.

Commissioner Chapman thanked Operations Manager David McNeill for his direct involvement in addressing issues at the shelter. Chairman Hawkins expressed appreciation to all staff involved for being proactive in resolving these issues as well.

NEW BUSINESS

DONATION OF SURPLUS VEHICLE TO LITTLE RIVER VOLUNTEER FIRE DEPARTMENT

A 2000 Ford Crown Victoria vehicle in the Sheriff's Office has been declared surplus. Little River Volunteer Fire Department has expressed an interest in the vehicle and would like to utilize it as a medical first response vehicle to respond out of the new Highway 64 station. NCGS 160-280 gives authorization to local government entities to donate personal property to a nonprofit organization. The governing board shall post a public notice at least five days prior to the adoption of a resolution approving the donation. The resolution shall be adopted prior to making the donation. Staff requested authorization to proceed with the notice requirements. If approved, the adoption of the resolution donating the surplus property will be on the agenda for the first meeting in January for approval. The salvage value of the vehicle is \$2,446.

Commissioner Chapman inquired about what the County would do with the vehicle if it was not donated. County Operations Manager David McNeill stated that County would sell the vehicle in an auction to the highest bidder. He noted that the fire department would use the vehicle so infrequently that the ongoing care and maintenance of the vehicle should be minimal.

Commissioner Lemel moved to authorize staff to proceed with the notice requirements regarding the donation of a surplus vehicle to the Little River Volunteer Fire Department, seconded by Commissioner Chappell and unanimously approved.

NCACC LEGISLATIVE GOALS FOR 2016

Commissioner Lemel participated on the Legislative Goals Committee for the North Carolina Association of County Commissioners (NCACC) on December 2 in Raleigh. The Committee reviewed the goals from the long session of the NC General Assembly. The main purpose of the short session of the General Assembly is to provide necessary adjustments to the bi-annual state budget. However, bills that made the cross over deadline in the last session may still be considered. Additionally, local bills, revenue bills and constitutional amendments are also eligible for consideration.

The Legislative Goals Committee has forwarded on to the NCACC Board of Directors the following three priorities for the Association for 2016. These goals are from the 2015 Guiding Principles and Legislative Goals publication of the NCACC:

1. Seek legislation to repeal the statutory authority under NCGS 115C-431(c) that allows local school boards to file suit against a county board of commissioners over county appropriations for education.
2. Seek legislation to authorize local option revenue sources already given to any other jurisdiction. Several counties and municipalities have individual legislative authority to levy special taxes. The NCACC is seeking to allow all counties equal access to potential revenue sources.
3. Support legislation, regulations and funding that would preserve local option and authority where needed to deploy community broadband systems and ensure community access to critical broadband services. The Towns of Wilson and Salisbury are the only local governments authorized to provide broadband services to their residents. Counties should be able to participate in developing infrastructure and providing broadband services to underserved areas.

Commissioner Chapman thanked Commissioner Lemel for her participation. He said this is a very lengthy process that the NCACC Board of Directors endures. The Board of Directors will be meeting in January to approve moving forward. Later on next year, the Board will be developing goals for the 2017 Legislative Session. He noted that the NCACC does a great amount of work on behalf of counties and they keep counties informed of legislative issues that may affect them.

SMOKY MOUNTAIN CENTER FISCAL MONITORING REPORT

Per G.S. 122C-117 (c), the quarterly Fiscal Monitoring Reports (FMR) for the LME's must be presented to the Board of Commissioners in person and read into the minutes of the meeting at which it is presented at least twice a year. Finance Director Gay Poor presented the report from Smoky Mountain Center for the first quarter of FY 2016.

Through the first quarter of this fiscal year, Smoky Mountain has revenues totaling \$96,313,424, which is 26% of their budget. The Medicaid pass-through funds have fallen short of what they were anticipating. Service fees from LME delivered services have exceed the budgeted amount. Expenditures totaled \$87,626,798, which equates to 23.6% of their budget. The difference between revenues and expenditures is \$8,686,626.

Commissioner Lemel reported that she and the Manager will be meeting with Smoky Mountain representatives in January and they will be presenting shortly thereafter to the Board of Commissioners. The intention is to learn about the services they provide for Transylvania County.

MANAGER'S REPORT

- Board of Health Resolution in support of commissioner efforts in transparency of funds and services for mental health adopted in December
- GoldenLEAF invitation to apply for community grants initiative; application due in January

- US Forestry Service Plan Revision seeking public input on wilderness designation (suggests by tomorrow, but can still continue to comment); website has more information
- Biggest Loser Challenge in spring: Transylvania County challenging School System in friendly competition
- Held Christmas luncheon this Friday
- Thanks to several County departments for doing great work out in the community
 - Maintenance & Parks and Recreation – assistance with Twilight Tour; decorating Courthouse and tree
 - Planning and Community Development Mark Burrows for his work on the Golden LEAF grant application and for convening the appropriate people to develop a project worthy of the grant
 - Operations Manager David McNeill and Animal Control staff for all the work they done to make improvements at the animal shelter, including updates to their operations manager
 - IT Technician Mike McKinney for receiving Employee of the Year at the Christmas lunch
 - Register of Deeds Cindy Ownbey for receiving Department Head of the Year Award

PUBLIC COMMENT

There were no comments from the public.

COMMISSIONERS' COMMENTS

Commissioner Chappell reported that he had the privilege of nominating through his employment at NC Works the New Excelsior plant, Division of Sigma Plastics in Rosman. They were recognized at the Mountain Area Workforce Development luncheon as an outstanding participant. The County came close to losing this business. They now have over 130 employees and they continue to hire. They are a true success story thanks to the partnerships that came together and they are a valued member of the community.

Commissioner Lemel attended and participated in several meetings: Smoky Mountain, NCACC, Care Coalition. She also attended in the Salvation Army Red Kettle Kickoff. She also had lunch with Henderson County Commissioner Bill Lapsley and discussed issues both counties have in common. They are going to make this a quarterly meeting to talk about regional issues and how we can support each other as neighbors. Commissioner Lemel wished everyone Happy Holidays.

Commissioner Chapman said the presentation of the State of the Young Child Report and public comments made at the beginning of the meeting by Mr. Siniard makes people stop and think, especially this time of year, about those who do not have an opportunity to enjoy the holidays. However, this community is very generous and many citizens participate in programs like Cops 4 Kids and Toys for Tots and make donations to churches and the Sharing House so they can provide for those in need. Commissioner Chapman expressed the importance of making sure people know there is assistance for them in the community. He hopes many areas of people's lives will change for the better as we work to continue growing economic development and bringing viable jobs into the community. He wished everyone Merry Christmas and Happy New Year.

Commissioner Phillips asked the Manager to submit Commissioners the timeline for the US Forest Service schedule for updating their service plan. He pointed out that the agency intends to make specific designations that will impact various groups of people, like hunters and cyclists.

Chairman Hawkins expressed his appreciation to Operations Manager David McNeill. He had a very attractive career opportunity, but chose to stay in Transylvania County. Our County is stronger and better with him here. Chairman Hawkins announced that after much thought he has decided to file for reelection to the Board of Commissioners and if reelected this would be his last term. The decision did not come easy because being a Commissioner is difficult and takes a lot of time. Much of the news is not always good, as has been shown here tonight, and many of the issues are almost impossible to resolve. It is important to him that we keep trying to fix these problems.

Commissioner Lemel echoed Chairman Hawkins' sentiments about how draining being a Commissioner can be if done wholeheartedly. She announced she will be filing for reelection as well. She believes this Board has done some really great things for the County and she would like for that to continue.

Chairman Hawkins said he hopes more people decide to file for County Commission because we need a culture where the very best people in our County want to do this. While the job is challenging, it is very rewarding because there are opportunities to do great things for this County and its citizens.

Commissioner Chapman thanked Chairman Hawkins and Commissioner Lemel for their decision, and if reelected, he looks forward to working with them over the next two years remaining on his term.

Chairman Hawkins moved to enter into closed session per NCGS 143-318.11 (a) (4) to discuss matters relating to the location or expansion of a business in the area served by this body-2 sessions and per NCGS 143-318.11 (a) (5) to establish or instruct staff or agent concerning the negotiation of the price and/or terms of a contract concerning the acquisition of real property, after a 5 minute recess. The motion was seconded by Commissioner and unanimously carried.

CLOSED SESSION

Pursuant to NCGS 143-318.11 (a) (4) to discuss matters relating to the location or expansion of a business in the area served by this body-2 sessions and per NCGS 143-318.11 (a) (5) to establish or instruct staff or agent concerning the negotiation of the price and/or terms of a contract concerning the acquisition of real property, closed session was entered into at 9:20 p.m. Commissioners held the closed session meeting in the Arthur C. Wilson, Jr. Conference Room.

Present for the first closed session were Chairman Hawkins, Commissioners Chapman, Chappell, Lemel and Phillips, County Manager Jaime Laughter, County Attorney Tony Dalton, Transylvania Economic Alliance Executive Director Josh Hallingse, Planning and Community Development Director Mark Burrows, Community Development/Special Projects Director with the City of Brevard Josh Freeman, Associate Director of the Development Finance Initiative with the UNC School of Government Christy Raulli, Project Manager for the Development Finance Initiative with the UNC School of Government Tanner Dudley and Clerk to the Board Trisha Hogan.

Commissioners received information on a potential economic development project and instructed staff on how to proceed.

Present for the second closed session were Chairman Hawkins, Commissioners Chapman, Chappell, Lemel and Phillips, County Manager Jaime Laughter, County Attorney Tony Dalton, Transylvania Economic Alliance Executive Director Josh Hallingse, Planning and Community Development Director Mark Burrows and Clerk to the Board Trisha Hogan.

Commissioners received information on a potential economic development project and instructed staff on how to proceed.

Present for the third closed session were Chairman Hawkins, Commissioners Chapman, Chappell, Lemel and Phillips, County Manager Jaime Laughter, County Attorney Tony Dalton, County Operations Manager David McNeill and Clerk to the Board Trisha Hogan.

Commissioners received information on the potential purpose of property and instructed staff on how to proceed.

Chairman Hawkins moved to leave closed session, seconded by Commissioner Phillips and unanimously carried.

OPEN SESSION

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

ADJOURNMENT

There being no further business to come before the Board, **Chairman Hawkins moved to adjourn the meeting, seconded by Commissioner Phillips and unanimously carried.**

Mike Hawkins, Chair
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board