

**MINUTES**  
**TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS**  
**April 10, 2018 – REGULAR MEETING**

The Board of Commissioners of Transylvania County met in regular session on Tuesday, April 10, 2018 at 9:00 a.m. in Commissioners Chambers at the County Administration Building, located at 101 S. Broad Street, Brevard, NC.

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

Media: *The Transylvania Times* – Derek McKissock

There were approximately 20 people in the audience.

**CALL TO ORDER**

Chairman Larry Chapman presiding declared a quorum was present and called the meeting to order at 9:04 a.m.

**WELCOME**

Chairman Chapman welcomed everyone to the meeting and thanked the members of the public for participating in their local government. He introduced Commissioners and staff in attendance.

**PUBLIC COMMENT**

John Wayne Hardison: Mr. Hardison stated he is the owner of High Country Tree Service. He reported that he was consulted about the health of the Norway Spruce Tree on the Courthouse lawn by a County employee and when he asked if he should provide a written report on the condition of the tree, the employee informed him the County would be taking down the tree. His concerns over this led him to contact the County Manager. He did not agree with the Manager on the possible reasons the tree might need to come down. Mr. Hardison reported the tree as being healthy and he felt the tree would not be an obstruction to the Courthouse cupola construction/repair project. Mr. Hardison offered the services of High Country Tree Service to provide any protections for the tree necessary during the construction project. He also volunteered future services to decorate the tree for the Christmas season going forward.

Judith West: Ms. West spoke on behalf of the Living Wage Coalition. She reported the living wage for Transylvania County is current set at \$12/hr. This means that a single person working full time making less than \$12/hr. would be eligible for food stamps. A living wage means a person working full time can afford to put food on their table, a roof over their head, and meet basic needs without public or private assistance. Ms. West reported that all full time employees working for Transylvania County makes at least \$10.50/hr. The \$1.50/hr. allowance for employer provided health benefits helps them meet the criteria for living wage. Ms. West was very proud of this statistic and she hoped Commissioners were proud as well because it sets a standard for other employers throughout the County. Ms. West reported a bleaker picture for part time and “when necessary” employees. The County employs nine people who do not receive benefits and are paid less than \$12/hr., as low as \$10.08/hr. Overall, she thought the living wage was positive for the County, but she remained concerned about those few people making lower salaries. She commended Commissioners for paying attention to living wage, setting a good standard and paying good wages to County employees.

## AGENDA MODIFICATIONS

There were no agenda modifications from Commissioners. The Manager requested to remove the second sealed closed session from the March 26, 2018 Board of Commissioners' meeting from approval.

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

## CONSENT AGENDA

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

The following items were approved:

### MINUTES

The Board of Commissioners met in regular session on March 26, 2018 and following met in closed session in which the minutes were sealed. Commissioners approved the minutes of the regular session and first sealed closed session as submitted. The second sealed closed session will be approved at a later date.

### RECOMMENDATION TO UNSEAL CLOSED SESSION MINUTES

The Manager, Attorney and Clerk reviewed the sealed closed session minutes and made a recommendation for unsealing several sets of minutes and making them available for public inspection. Unsealing these minutes no longer frustrates the purpose of the closed sessions. The following minutes were recommended for unsealing:

1. 12/14/15 Golden Leaf Project
2. 3/28/16 Ecusta Road Project
3. 7/11/19 Ecusta Road Project
4. 8/22/16 Tucker Property
5. 1/23/17 County Attorney Candidates
6. 1/23/17 Rahn Property, Old Animal Shelter Property
7. 2/3/17 County Attorney Candidates
8. 3/27/17 County Attorney Candidates
9. 10/10/17 Project Aiken-Greystone Inn

### PROCLAMATIONS-SEXUAL ASSAULT AWARENESS & PREVENTION MONTH AND CHILD ABUSE AWARENESS MONTH

SAFE, Inc. of Transylvania County is dedicated to the prevention of rape, sexual violence and child abuse in our community. Their programs are evidence-based and have been extremely successful. Director of Prevention Services, Susan Huter requested Commissioners support their efforts by proclaiming April as Sexual Assault Prevention and Awareness Month and Child Abuse Prevention Month. Commissioners approved Proclamation #09-2018 Sexual Assault Prevention and Awareness Month and Proclamation #10-2018 Child Abuse Awareness Month which are hereby incorporated by reference and made a part of these minutes. Commissioners Hawkins and Lemel read aloud the proclamations for the benefit of the public. The proclamations will be delivered to SAFE, Inc. of Transylvania County.

### PROCLAMATION-OLDER AMERICANS MONTH

Sylvia Petit with the Department of Social Services chairs the Council on Aging. Each year the Council on Aging requests that the Board of Commissioners approve a proclamation declaring May of that year as Older Americans Month in order to recognize the many contributions of our senior citizens. The 2018

Older Americans Month theme is *Engage at Every Age* which acknowledges the importance of taking part in activities that promote physical, mental and emotional well-being, no matter one's age.

The Council on Aging intends to ask one or more County Commissioners to read aloud the proclamation during the opening ceremonies of Senior Games on April 20. Commissioners approved Proclamation #12-2018 Older Americans Month 2018 which is hereby incorporated by reference and made a part of these minutes. Chairman Chapman read aloud the proclamation for the benefit of the public. The proclamation will be delivered to Ms. Petit in the Department of Social Services.

#### LETTER OF SUPPORT FOR BREVARD ACADEMY USDA LOAN

Brevard Academy intends to purchase its facility from its parent company, Challenge Foundation Properties. Brevard Academy will purchase the facility via a USDA Loan in the amount of \$5 million. The USDA Loan application requires a letter of support from the County's governing board. Commissioners approved a letter of support for Brevard Academy's application for a USDA Loan.

#### RESOLUTION APPROVING DONATION OF SURPLUS EQUIPMENT TO TOWN OF ROSMAN

At the March 26 regular meeting, the Board of Commissioners entered into a new 5-year agreement with the Town of Rosman for leachate disposal. The new agreement included the donation of surplus equipment from the Solid Waste Department to the Town of Rosman as well.

NC General Statute 160A-280 allows counties to donate surplus property to another governmental unit within the United States. Prior to donation, the County must post public notice of its intent to donate the property and then adopt a resolution donating the property as a future meeting of the Board of Commissioners. Staff has met the requirements of the statute.

A 1997 Ford Ranger pickup and 2006 John Deere 650J LGP Dozer have been declared surplus and removed from service. The agreement with the Town of Rosman indicates that the County makes no representation on the condition or warranty on the equipment. Commissioners approved Resolution #11-2018 Approving Donation of Surplus Equipment to Town of Rosman which is hereby incorporated by reference and made a part of these minutes.

#### 2018 ROSMAN SUMMER CAMP PROPOSAL

Parks and Recreation has offered a summer camp option for families in the upper end of the County since 2016. The program took the form of a drop-in summer camp without a fixed level attendance based in and around the old gymnasium at Rosman Middle/High Schools and Champion Park Pool. Attendance was low, averaging about eight per day, which necessitated further review and fine-tuning of the program the following year.

The Board of Commissioners approved the program again in 2017, but it changed from a drop-in style camp to an all-day camp from 9am-4pm requiring reservations in advance. There were challenges with this program in that only 25% of the participants were local to this part of the County. The remaining 75% had Brevard addresses and commuted to Rosman, which undermined the original intent of the program.

For the 2018 summer program, staff proposed to maintain the no-cost nature of the program, but to narrow the age group from 6-12 years of age so that staff is not spread thin trying to cater to too broad of an age range. Only \$4,000 is necessary from the FY 18 Budget to operate the FY 18 summer camp, and staff reported those expenses are already covered due to lapsed salary for the yet-to-be-filled Parks and Recreation Director position and unexpended funding from other programs.

To try to address the geographic disparities in last year's program, staff will be launching registration for the summer camp through a partnership with staff from the School System before it is advertised publicly.

By giving the Rosman community advanced notice and an opportunity to register before the program goes countywide, staff hopes to maintain the camp's original focus of providing summer camp opportunities for the community.

Staff intends to incorporate the remaining cost of summer camp program in calendar year 2018 and FY 19 in the FY 19 Budget request. Commissioners approved the Rosman Summer Camp program for calendar year 2018 as submitted.

## OLD BUSINESS

### REQUEST TO ENTER INTO AGREEMENTS WITH COMMUNITY CENTERS AWARDED GRANT FUNDING BY TRANSYLVANIA COUNTY

Planning and Community Development Director Mark Burrows presented this item. This item is in response to the Commissioners' desire to support local community centers. Mr. Burrows reported that in its February 12, 2018 call for applications, Transylvania County received 25 grant applications from 10 eligible community centers. As identified in the application process, there were three distinct grant programs for community centers to seek funding and \$50,000 was budgeted for this purpose. As directed by Commissioners, a selection committee comprised of Planning and Community Development staff, County Administration and Finance staff, and a County Commissioner reviewed and prioritized the requests.

Of the 10 eligible community centers, all applied and will receive Grant #1: Connected Public Space. This grant will provide funding for a land-line telephone, cell phone service and Wi-Fi, as well as funds to offset operational expenses of being a public space and a Wi-Fi connected space. No match is required. Should the community center decide to no longer host Wi-Fi, they would no longer be eligible for this grant.

Grant #2: Public Health/Safety program received eight applications and will make four awards of \$2,500 each. Grant #3: Public Purpose program received eight applications and will make two awards of \$7,500 each. A 10% match is required for Grants #2 and #3.

The chart below provides a summary of the grant funds awarded:

Community Center	Grant #1- Connected Public Space	Grant #2-Public Health/Safety	Grant #3-Public Purpose
Balsam Grove	\$2,500		
Cathey's Creek	\$2,500		
Cedar Mountain	\$2,500		
Dunn's Rock	\$2,500		\$6,700 Furnace and refrigeration
Eastatoe	\$2,500		
El Centro	\$2,500	\$2,500 flooring	

Lake Toxaway	\$2,500	\$2,500 ADA bathroom facilities	
Little River	\$2,500		\$7,500 Renovate lower level for 4-H
See Off	\$2,500	\$2,400 stove & rear exit	
Quebec	\$2,500	\$2,070 building & kitchen upgrades	

Mr. Burrows reported that during the application review process, it was found there is a greater need than the \$50,000 allotted. He said he hopes Commissioners will continue the grant program in FY 19 and give priority to those community centers that did not receive grant funding under Grants #2 or #3 this year because they have needs that need to be addressed.

Staff requested Commissioners authorize County Administration to enter into contractual agreements with each community center for the grants awarded. Furthermore, staff requested Commissioners consider reauthorizing a similar grant in FY 19 and give priority to community centers that did not receive Grants #2 or #3 this year.

Commissioner Lemel expressed how thrilled she was to see this movement on the part of the County to support our community centers and make Wi-Fi more accessible in the more remote parts of the County. She said this grant program shows the County's commitment to improving the quality of life and encouraging our communities to be strengthened.

**Commissioner Lemel moved to authorized County Administration to enter into contractual agreements with each community center for the grants awarded. The motion was seconded by Commissioner Hawkins.** Commissioner Hawkins asked for clarification on Mr. Burrows' recommendation to prioritize community centers that did not receive grants. Mr. Burrows shared that as the committee reviewed the grant applications, one application really stood out above the others. Other community centers submitted good requests; however, they were not necessarily presented in a way that the committee felt should be funded in this year's allotment. There was also a limited amount of funds available. For these reasons, staff felt it would make sense to prioritize those community centers that did not receive grant funds other than from Grant #1. For example, if Little River Community Center submits another great application for next year, he wondered if it made sense for them to be awarded funding over another community center that was not awarded funding this year. Commissioner Hawkins argued the answer would be yes, if Little River Community Center has the better project. The fact that Little River Community Center received funding this year could serve as a tie-breaker should they and another community center both submit applications for outstanding projects. Commissioner Lemel asked if staff was able to determine whether or not the \$50,000 budget was a sound investment for community centers, or if Commissioners need to consider increasing the allotment. She imagined that some community centers are dealing with deferred maintenance issues. The Manager said the issue is the County is just now at award phase and has not yet determined how each has performed during the contract phase. She suggested holding at the \$50,000 through a full cycle and then evaluating further before deciding to decrease or increase funds. Commissioner Chappell was appreciative of the effort to insure Wi-Fi connectivity in more remote communities so we can continue to provide better services across the County. **The motion was approved unanimously.**

**Commissioner Lemel moved to reauthorize a similar grant in FY 19. The motion was seconded Commissioner Chappell and unanimously approved.**

## **NEW BUSINESS**

### SCHOOL RESOURCE OFFICER AGREEMENTS

The Manager reported she conducted quite a bit of research on School Resource Officers (SROs), specifically because it is currently a nationwide discussion in terms of school safety, and also because Brevard Academy intends to request the services of a School Resource Officer from the County. During her research, she found that Transylvania County has a long history of supporting School Resource Officers as a funding priority. The earliest dated contract was from 1996 when SROs were approved for Brevard and Rosman High Schools. At that time, the funding for salary, benefits and vehicle operations was paid for via State funding via the School System. The provision for training, supervision, equipment and vehicles was the responsibility of the County.

In 2001, there were eight SROs with five being grant funded over a three year period. In the fourth year the positions were to be paid for by local funds. At the time the grant was accepted, the agreement included that the City of Brevard would pay for one position in year four, the School System would use funds allocated to them to cover two SROs, and the County would budget to cover another two SROs. At the conclusion of the grant, the School System did not have funds to cover the two SROs they had agreed to fund, so the County assumed funding for four positions by allocating additional Current Expense funds to the School System. The City of Brevard funded a position until 2007 and then asked the County to fund the position by allocating more dollars to the School System and assigning an officer from the Sheriff's Office. Originally the City of Brevard funded an SRO who was assigned from the City of Brevard Police Department and reported to the Chief of Police. In 2013, the School System requested a 9<sup>th</sup> SRO resulting in a total of six SROs being funded through their Current Expense budget which is dollars coming from the County. This request ensured an SRO was placed at every school. The same funding responsibilities applied in terms of which entity paid for personnel expenses and equipment costs.

The contract with the School System to fund SROs has remained stagnant since FY 14 and has been part of the budget deliberations over the past couple of years. The current contract amount remains at \$473,543 despite the implementation of a salary study and cost of living adjustments. It was anticipated that the salary, benefits and vehicle benefits would be covered under the original contract, but that is no longer the case and has not been true for a couple of years. The Manager stated there is time to change the School System contract that is currently in place.

In 2014, Blue Ridge Community College requested an SRO position as well. In similar fashion, County Commissioners increased funding to the College to cover the salary and benefits on the contract for service and the College pays the County on the contract with those funds. For FY 18, the total amount of County funds budgeted for Blue Ridge Community College was \$421,739.

For FY 18, the total amount of County funds budgeted to the School System was \$11.8 million for Current Expense. Out of that Current Expense there is money that goes to the charter school. In March of this year, Brevard Academy voted to request an SRO and indicated they may ask for County funding. As a charter school, Brevard Academy receives County funds annually through the School System based on the number of students that choose the charter school, and there are no restrictions on the usage of those funds. The amount sent from public schools to charter schools is determined by the total amount allocated in county funds with a share per student attending going to the charter school by State law. In FY 18 the budgeted amount of County funds expected to go the charter school was \$890,000.

In order to have a consistent and equitable SRO contract program for each entity, the Manager proposed a standardized contract template which was included in the Board's packet for review. The template

contract provides for each entity requesting SROs to pay for salary, fringes and benefits along with a pro rata share annually of the supervision salary expense. This prevents the impact being disproportionate for the entity that has SROs with rank at their site providing supervision within the unit. Each entity may utilize the local funds they receive to pay their share of the cost of the contract or identify other funding streams in the form of grants or other sources so County funding is also equitable.

The County would fund equipment, vehicles, training, liability, worker's compensation, special separation benefits for law enforcement and the additional supervision, human resources and finance services expenses through the general fund in the Sheriff's budget and other departments as customary. Those costs per position include a minimum of annual expenses per officer of \$9,545 for operations and additional expense on a rotating basis per officer of approximately \$55,000 in equipment and vehicle.

Based on current salary figures, the cost for SROs by requesting agency for FY 19 would include:

- Blue Ridge Community College: \$54,705 (1 SRO)
- Transylvania County Schools: \$577,266 (9 SROs)
- Brevard Academy: \$53,701 (1 SRO)

The Manager estimated that the total expense to the County that is not annualized to fund a whole SRO program is \$605,000. This includes equipment and vehicle purchases that would not be considered annual. The total financial impact would be \$685,672 in County funds that currently go to Blue Ridge Community College, Transylvania County Schools, and Brevard Academy.

The Manager recommended approval of the School Resource Officer contract template and authorize the Chairman to sign based on the amounts presented for FY 19 assuming acceptance by each entity. She noted one element of the contract allows the Sheriff to enter into a Memorandum of Understanding with each entity to ensure any operational concerns are covered given the unique situation of each contracting entity. Those agreements cannot modify the financial agreements with the County. Should Brevard Academy choose to enter into a contract with the County prior to July 1, the Manager recommended Commissioners charge a pro rata share of the contract expense for the remainder of the fiscal year.

Commissioner Lemel questioned the difference in cost for each of the SROs. The Manager explained the difference is related to the salaries of the officers in the various SRO positions. It is anticipated that the SRO assigned to Brevard Academy would be an entry level position. For the School System, there are some SROs that have had longer careers in law enforcement, so their salaries are higher.

Commissioner Hawkins clarified that the \$605,000 is for capital items and is not an annual operational expense. He asked if this figure is the amount projected over a period of time. The Manager replied yes and said the period of time is roughly five years. She pointed out there is no standard vehicle replacement policy that has been followed depending on budgets and needs. A new vehicle in the Sheriff's Office does not necessarily go the SRO. With that said, these are capital expenses that must be maintained. It is estimated that \$104,995 is needed annually across the Sheriff's Office and other County departmental budgets for other operational expenses.

Commissioner Hawkins asked for clarification that the funds spent on the SRO program is all local dollars. The Manager explained that all funding is local dollars, except the dollars from the beginning of the program to pay for the SROs at the two high schools. This funding comes from State dollars; however, the State funding does not cover the full cost. The Manager pointed out there is lots of discussion around the State about how insufficient funding for SROs is at the State level and counties are requesting by resolution additional funding for SROs in more than just the high schools. It is her understanding that the Transylvania County School System has used grant funds to help offset costs at times, but at the same time there were appropriations made as positions were added beyond the high school level.

Commissioner Lemel pointed out the State Legislature is studying this issue now and she made reference to a subcommittee on school safety that was supposed to hold its first meeting today. The Manager confirmed and noted that Representative Henson serves on that subcommittee. At the next Board meeting, she will be asking Commissioners to approve a resolution encouraging that committee to not only consider increasing funding to school systems for this purpose, but also to not forget those systems that have already invested in school safety over a long period of time with local tax dollars.

Commissioner Chappell stated oftentimes, and to our credit, Transylvania County is a leader in many areas, and later the State or federal government comes on board with funding, but the funding usually goes to those counties that did not take the initiative to begin with, and Transylvania County is ineligible for those funds. It is hurtful to our taxpayers. He is appreciative of Representative Henson serving on the school safety subcommittee and he has expressed to him that Transylvania County should not be penalized because we have made school safety a top priority.

Commissioner Hawkins agreed with Commissioner Chappell. He stated this is the reason he asked the previous questions about the expense the County is incurring. The County is spending roughly \$1 million annually for SROs and we are incurring that expense ourselves. He pointed out that the part of the County's budget that is truly discretionary is approximately 15%. That equates to approximately \$7.5 million. It is important to note that Transylvania County is spending \$1 million of its discretionary funds on the SRO program. Commissioner Hawkins stated he is very supportive of the SRO program, but he wanted to express his frustration with our State and federal leaders over their unwillingness to address all of the components of school violence across America. Because of this, Transylvania County must spend \$1 million annually on the SRO program. For the next meeting, he hopes the resolution will communicate that not only do we need assistance in funding, but also that we communicate that this is not a sustainable model.

Commissioner Chappell added that SROs are more than just armed guards. Commissioner Hawkins agreed that SROs do many things that are important, but those are not primary. Their primary purpose is to curb school violence.

Chairman Chapman pointed out that over the last few weeks Henderson County has received a lot of positive press about being a leader in school safety, but they are far behind Transylvania County in this area. He would very much appreciate Transylvania County getting recognition because we have been committed to the SRO program for many years. He thanked citizens for agreeing to spend their tax dollars on school safety, an unfortunate circumstance in today's society.

Commissioner Phillips agreed with Commissioners' comments. While this is not a topic of discussion for today, he stated it is a concern of many. He said schools advertise themselves as being "gun-free zones" which he feels is an advertisement that the school is unprotected. He is very supportive of the SRO program, but in the future he invited discussion about gun-free zone signs/postings.

**Commissioner Lemel moved to approve the School Resource Officer contract template and authorize the Chairman to sign based on the amounts presented for FY 19 assuming acceptance by each educational entity. The motion was seconded by Commissioner Hawkins. Commissioner Chappell inquired about including Brevard Academy should they decide to enter into a contract prior to FY 19. Commissioner Lemel amended her motion to include should Brevard Academy choose to sign prior to July 1 a pro rata share of the contract expense will be charged for the remainder of this fiscal year. The amendment was seconded by Commissioner Chappell and unanimously approved. The main motion was unanimously approved.**

Chairman Chapman publicly thanked all of the SROs who provide such important services to the School System.

### LOTTERY FUNDING APPLICATION & REVIEW OF CAPITAL PROJECTS

The Manager reported that the Transylvania County Board of Education is requesting a drawdown of lottery funds in the amount of \$111,265 to complete funding for the Brevard Middle School roof replacement.

In early 2018, the Board of Education requested funding of a \$375,000 architectural study and surveys which totaled almost \$450,000. When the request was presented, Commissioners directed the Manager to work with the School System to negotiate a full contract and fee structure with the architect for the phases in the bond referendum project and bring back a recommendation for funding. However, after a series of correspondence, the School System indicated they were not interested in modifying the architectural scope of work or negotiating the full fee in advance. For this reason, the funding request did not move forward to the County Commissioners. The School System allocated funding to pay for the architectural service.

In February, the School System amended their Capital Outlay budget which totaled \$2.3 million and included \$125,000 reflecting as revenue from their fund balance. The budget amendment modified the capital budget to a total of \$2.6 million with a fund balance appropriation of \$468,619. The FY 18 Capital Outlay appropriation from the County totaled \$1.8 million. In addition, a lottery fund application in the amount of \$428,611 was approved in September to cover the cost of three chiller projects as indicated in the School System's capital needs list. With the lottery funds, the Capital Outlay budget increased to a total of \$2.3 million, which is close to the figure listed as current in February based on available revenues.

A Transylvania County Schools Capital Needs update provided by the School System in March indicated a new budget figure of \$2.6 million. Within that figure, there are three projects that are referenced as being deferred on the "Funding for Advanced Planning" spreadsheet in order to pay for the architectural fees as stated in a recent article in *The Transylvania Times*. One of those projects is the total roof replacement at the old Rosman High School Gymnasium in the amount of \$200,000, which has been listed as a critical capital need in budget submittals since FY 17 and is the last critical need listed on the FY 18 submittal. The School's Finance Officer has indicated this project can be handled in the bond if approved. The additional projects listed as deferred are for FY 19 which Commissioners have yet to receive.

The Manager reported that the lottery application requests funds for a project included on the current budget list that also reflects full funding available from existing sources; however, it is unclear how the \$111,265 amount being requested is reflected against the \$428,611 in lottery funds noted on the capital sheet. The total cost of the project for the Brevard Middle School roof project as shown on the lottery application is \$470,972. It is not clear why the lottery funds would not be used for the roof replacement being it has been listed as a critical need or what project the displaced funds would be used for if it is approved.

The Manager asked Commissioners to consider the lottery application as requested by the Board of Education and direct staff on how to proceed. She pointed out all copies of capital projects and budget reports that she has received from the School System were included in the Board's agenda packet.

The Manager and Commissioners engaged in a lengthy discussion with Finance Officer Norris Barger. This is a summary of that discussion.

Q. Is the lottery application for partial payment of the roof project?

A. Yes. The application amount is for the amount of funds available for Transylvania County in the State Public School Building Capital Fund, minus some interest earned.

Q. The roof has been listed as a critical need since FY 17. What has changed to delay the project?

A. The School System has a roofing consultant who listed this project as a priority. The School System continues to monitor it. Under the circumstances with the upcoming bond referendum and the opportunity to include it as part of the overall renovation project, the Board of Education felt that with some minor maintenance the project could be deferred in anticipation of the passage of the bond referendum.

C. The challenge Commissioners face is sometimes they see instances where requests appear to be duplicated. Commissioners understand that priorities change and the Board of Education has to allocate resources the best they can given the changing circumstances; however, it is the County that has the fiduciary responsibility for the funding.

C. Both Boards should have a meaningful dialogue about the lottery funds and determine the best way to maximize those dollars. Lottery funds can be used for debt service. It could be that the lottery funds are used to pay debt service on a \$5 million to \$8 million loan and those funds could be used to make some tremendous capital improvements in the very near future. This merits discussion between the Boards.

Q. The project account is listed at a total price of \$464,298. The last check was written on January 4, 2018.

A. Correct, but there is still 5% retainage owed on the punch list that has not been completed yet. This takes the cost up to the \$479,072, a difference of \$66,073.

Q. The drawdown of \$111,265 leaves roughly \$105,000. Because everything else has been paid for, what is the School System intending to do with the \$105,000?

A. The \$105,000 would go toward any other project the School System sees fit; however, it is basically a matter of cash flow. The funds have to be applied to a particular project to get the funds from DPI. The School System receives funding from the County for capital outlay in 12 monthly installments, and they may have capital projects they need to fund during the summer, so they need the cash in the bank.

Q. If the \$105,000 gets applied to other projects, would that be reported to the Board of Education or Board of Commissioners?

A. Typically, no. The School System has four revenue line items, one of which is lottery proceeds. On the accounting books they do not match those numbers up with project numbers. The reason it is matched with the roof project is because the State requires it for lottery funds. There are only certain items within the capital outlay funds that are eligible for lottery proceeds.

Q. The Transylvania County Capital Needs List shows revenue in the amount of \$428,182 for lottery proceeds. Will this application be in addition?

A. No, the Board of Education made a decision over a year ago to draw down all lottery funds when they become available prior to drawing down their fund balance. The Board of Commissioners should expect to see another application for \$120,000 when funds become available.

Q. Capital outlay revenue was reflected at \$2.6 million and already includes the lottery funds. What is the total budget estimated to be at the end of the year?

A. Revenue figures for FY 18 includes roughly \$240,000 in lottery proceeds. The previous request by the Board of Education was a catch-up request for previous fiscal years where they had not drawn down all the funds they had budgeted because of their fund balance situation. The Board of Education estimates an annual appropriation of approximately \$240,000 in lottery funds.

- Q. Will the \$2.6 million in expenditures go up or will the fund balance appropriation go down?  
 A. The \$2.6 million would remain the same. The fund balance appropriated would mostly likely go down.
- Q. That is the School System's current fund balance?  
 A. It is estimated at less than \$100,000, but is expected to increase by \$111,000.

This concluded the dialogue between Commissioners and Mr. Barger. Chairman Chapman closed with a statement about the bond referendum prior to a motion being made.

Chairman Chapman expressed concern about relying whole-heartedly on the passage of school bond and stated that both Boards need to be prepared in the instance that it does not pass. In addition to the projects included in the school bond are the capital projects that are being delayed to pay for the architectural fees. Another issue is the Board of Education identified another \$30 million in capital needs outside of the bond. Chairman Chapman emphasized the importance of being upfront and honest about the financial impact of the bond's passage or failure.

**Commissioner Hawkins moved to approve the application for \$111,265 in lottery funds, seconded by Commissioner Lemel and unanimously approved.**

Chairman Chapman thanked Superintendent Dr. Jeff McDaris and the members of the Board of Education in attendance.

#### MANAGER'S REPORT

- Mountain Area Workforce Development Board in partnership with the NC Department of Commerce, NCWorks, AB Tech and Blue Ridge Community College is hosting the Mountain Area Career Fair on Tuesday, April 10 from 11:00 am – 6:00 pm at the WNC Agricultural Center; free event and everyone is welcome to attend; over 130 employers offering thousands of career opportunities in WNC
- Candidate forum April 16 from 7-9 pm at Brevard High School auditorium for Republican candidates for elected office
- The Comprehensive Plan is receiving an Award of Merit in the small jurisdictions category at the American Planning Association Conference this month.
- Kudos to EMS from Library staff on their speedy and professional response to a patron in need
- Kudos to Finance Director Gay Poor from Eddie Lance with the Sheriff's Office for her attention to detail and dedication in developing the budget

#### **PUBLIC COMMENT**

Ron Kiviniemi: Mr. Kiviniemi is the Vice-Chairman of the Board of Education. He expressed concern about Chairman Chapman's closing comments during the lottery application agenda item. He stated it is important that the Board of Education and Board of Commissioners be united in their support of the school bond and that they should be advocating for it strongly in the community because of what it will mean for the children in this County. In terms of what would happen if the bond does not pass, Mr. Kiviniemi stated it is the constitutional obligations of the County Commissioners to provide for the capital funding of Transylvania County Schools.

#### **COMMISSIONERS' COMMENTS**

Commissioner Lemel reminded everyone of the Kindergarten Readiness Rally on Thursday, April 12 from 4-7pm at the Recreation Activity Center. It is an opportunity for young children to get excited about enrolling for kindergarten, but it also a wonderful opportunity for young families in our community to

learn about the services available for the 0-5 population. Different agencies will be represented and staff will be available to answer questions about resources available in the community. The Library Foundation gives a free book to every child that attends.

Commissioner Phillips thanked Mr. Hardison for his comments on the tree at the Courthouse and for taking the time to evaluate its condition. He agreed the tree adds to the value of the Courthouse and he would be sad to see it come down as well.

Chairman Chapman reminded everyone that over the next few weeks Commissioners will be talking heavily about the budget. He thanked Mr. Kiviniemi for his comments. He said Commissioners understand there are needs, but they also understand the needs of the citizens of this community and how a major tax increase can impact families. He noted that departments have made significant requests in their budgets and much of what is being asked for is needed. He encouraged citizens to become more involved with their local government, noting that the budget is public record.

Chairman Chapman asked about the approval process for the bond being placed on the ballot. The Manager informed that staff will be asking Commissioners to approve a resolution in June.

Lastly, Chairman Chapman encouraged as much information as possible to be made available to the public about the bond. He informed the Board of Education that they have a big selling job to do to ensure its passage.

#### ADJOURNMENT

There being no further business to come before the Board, **Commissioner Lemel moved to adjourn the meeting at 10:30 a.m., seconded by Commissioner Phillips and unanimously carried.**

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Larry L. Chapman, Chairman  
Transylvania County Board of Commissioners

ATTEST:

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Trisha M. Hogan, Clerk to the Board