

**TENTATIVE AGENDA & MEETING NOTICE
BOARD OF COUNTY COMMISSIONERS**

**TUESDAY, FEBRUARY 7, 2012
8:00 A.M.**

**WATAUGA COUNTY ADMINISTRATION BUILDING
COMMISSIONERS' BOARD ROOM**

TIME	#	TOPIC	PRESENTER	PAGE
8:00	1	CALL REGULAR MEETING TO ORDER		
	2	APPROVAL OF MINUTES: January 17, 2012, Regular Meeting January 17, 2012, Closed Session January 27, 2012, Special Meeting		1
	3	APPROVAL OF THE FEBRUARY 7, 2012 AGENDA		17
8:05	4	PROPOSED INTERLOCAL AGREEMENT FOR APPALACHIAN REGIONAL LIBRARY	MS. MOLLY WESTMORELAND	19
8:10	5	PROPOSED PROCLAMATION DESIGNATING FEBRUARY 2012 AS SPAY/NEUTER MONTH	WATAUGA HUMANE SOCIETY REPRESENTATIVE	29
8:15	6	PRESENTATION OF SMOKY MOUNTAIN CENTER'S ANNUAL AUDITED FINANCIAL REPORT	MS. MARGARET PIERCE MR. BRIAN INGRAHAM MS. SHELLY FOREMAN	31
8:20	7	REQUEST TO APPOINT THE HOME AND COMMUNITY CARE BLOCK GRANT (H&CCBG) ADVISORY COMMITTEE AND LEAD AGENCY	MS. ANGIE BOITNOTTE	87
8:25	8	MOWING CONTRACT BID AWARD REQUEST	MR. ROBERT MARSH	91
8:30	9	PLANNING AND INSPECTIONS MATTERS A. Proposed Language Assistance Plan for CDBG Scattered Site Housing Program B. Proposed 2012 Hazardous Materials Emergency Planning Grant Agreement C. Brookshire Wetlands Proposal	MR. JOE FURMAN	105 119 137
8:35	10	TAX MATTERS A. Monthly Collections Report B. Refunds and Releases	MR. KELVIN BYRD	143 145
8:40	11	MISCELLANEOUS ADMINISTRATIVE MATTERS A. Proposed Resolution Supporting Road Improvements and Upgrades to Roby Greene Road (SR 1331B) B. Proposed Resolution Establishing the Register of Deeds Salary C. Tentative Agenda for Annual Pre-Budget Retreat D. Incident Command System Classes E. Boards & Commissions F. Announcements	MR. DERON GEOUQUE	167 169 173 177 179 187

TIME	#	TOPIC	PRESENTER	PAGE
8:45	12	PUBLIC COMMENT		195
9:45	13	BREAK		195
9:50	14	CLOSED SESSION Attorney/Client Matters – G. S. 143-318.11(a)(3)		195
10:00	15	ADJOURN		

AGENDA ITEM 2:

APPROVAL OF THE MINUTES

January 17, 2012, Regular Meeting
January 17, 2012, Closed Session Meeting
January 27, 2012, Special Meeting

DRAFT**MINUTES****WATAUGA COUNTY BOARD OF COMMISSIONERS
TUESDAY, JANUARY 17, 2012**

The Watauga County Board of Commissioners held a regular meeting on Tuesday, January 17, 2012, at 5:30 P.M. in the Commissioners' Board Room of the Watauga County Administration Building, Boone, North Carolina.

PRESENT: Nathan A. Miller, Chairman
Vince Gable, Vice-Chairman
David Blust, Commissioner
Jim Deal, Commissioner
Stacy C. Eggers, IV, County Attorney
Deron Geouque, County Manager
Anita J. Fogle, Clerk to the Board

Chairman Miller called the meeting to order at 5:31 P.M.

[Clerk's Note: Commissioner Tim Futrelle was not in attendance due to family obligations.]

Commissioner Blust opened the meeting with a prayer and Vice-Chairman Gable led the Pledge of Allegiance.

APPROVAL OF MINUTES

Chairman Miller called for additions and/or corrections to the December 20, 2011, regular and closed session minutes.

Commissioner Blust, seconded by Commissioner Deal, moved to approve the December 20, 2011, regular meeting minutes as presented.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

Commissioner Blust, seconded by Commissioner Deal, moved to approve the December 20, 2011, closed session minutes as presented.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

APPROVAL OF AGENDA

Chairman Miller called for additions and/or corrections to the January 17, 2012, agenda.

Commissioner Blust, seconded by Vice-Chairman Gable, moved to approve the January 17, 2012, agenda as presented.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

SHERIFF'S OFFICE VEHICLE BID AWARD REQUEST

Captain Kelly Redmon presented bids for three (3) new crew cab 4x4 pickup trucks. The following bids were received:

Bidder	Amount Per Vehicle	Total Amount
Bobby Jones Ford	\$30,528	\$91,584.00
Light-n-up LLC	\$31,423	\$94,269.00
Boone Ford	\$31,728	\$95,728.00
Mack Brown Chevrolet	\$35,978	\$107,936.01

The lowest responsive bidder was Bobby Jones Ford with a total bid of \$91,584. The amount for taxes and tags was \$2,766 for a total amount of \$94,350. The total budgeted amount for the vehicles was \$90,000; however, the County had realized a savings in the purchase of radios, therefore, an administrative budget amendment was to be processed to cover the \$4,350 overage.

County Attorney Eggers explained that, per General Statutes, the Board was required to award the bid to the lowest responsive and responsible bidder. No discretion was allowed to give special consideration to local bidders.

Vice-Chairman Gable, seconded by Commissioner Blust, moved to award the bid for three new crew cab 4x4 pickup trucks to the lowest bidder, Bobby Jones Ford, in the total amount of \$94,350 (\$91,584 for the three vehicles and \$2,766 for the associated taxes and tags).

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

USDA'S PROPOSED LEASE REQUEST FOR THE LOCATION OF THE WATAUGA/AVERY COUNTY SERVICE CENTER

Mr. Charles Zink, with the Farm Services Administration, presented a lease for office space at the West Annex which would house the Watauga/Avery County USDA Service Center. The County, in conjunction with the USDA, had been working on this renewal for three (3) plus years. The proposal was to continue leasing the 1,718 square feet currently occupied by USDA at the existing rate of \$10.00 per square foot, for a total amount of \$17,180 per year. Lease payments were electronically deposited monthly. The term of the lease was 10 years.

County Manager Geouque requested the County Attorney's opinion as to if the lease could be for ten years. County Attorney Eggers stated that he recalled that leases needed to be 10 years or less to meet statutory requirements; however, he noted that he would verify that information.

Commissioner Deal, seconded by Vice-Chairman Gable, moved to approve the lease for USDA office space at the West Annex facility in the amount \$10.00 per square foot for approximately 1,718 square feet totaling \$17,180 annually, contingent upon the County Attorney's review and verification of the number of years allowed for the lease of County-owned property.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

PRESENTATION OF W.A.M.Y. COMMUNITY ACTIONS, INC.'S, 2012-2013 COMMUNITY SERVICES BLOCK GRANT (CSBG) APPLICATION

Ms. Jane Lentz, Director of W.A.M.Y. Community Action, Inc., presented the Agency's 2012-2013 Community Services Block Grant (CSBG) application as required prior to submission.

The report was given for information only; therefore, no action was required.

GREEN VALLEY COMMUNITY PARK REQUEST

Ms. Janice Carroll, President of Green Valley Community Park, Inc., stated that a grant was received in the amount of \$5,300 for materials and gravel for repairs and improvements at the park. Ms. Carroll requested County forces to haul the gravel to the park and grade the driveway and parking areas. The County has assisted the park in the past with similar requests.

Also, the County has an agreement with Green Valley Community Park which states that, should the park default or cease to exist; the property would revert to the County.

Commissioner Deal, seconded by Vice-Chairman Gable, moved to authorize the County Manager, through appropriate staff, to assist the Green Valley Community Park with hauling and grading.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

[Clerk's Note: Tourism Development Authority Matters was heard prior to the public hearing as the public hearing was not scheduled to begin until 6:00 P.M.]

TOURISM DEVELOPMENT AUTHORITY MATTERS

A. Bid Award Requests for Rocky Knob Park

1. Bike Skills Area

Mr. Eric Woolridge with the Watauga County Tourism Development Authority (TDA), requested approval to contract with Trail Dynamics, in an amount not to exceed \$35,000, for the construction of a bike skills area at Rocky Knob Park. The bike skills area is part of the match for the \$500,000 Parks and Recreation Trust Fund (PARTF) grant awarded for Rocky Knob Park. The TDA Board approved the award at their January 10, 2012, meeting.

County Attorney Eggers stated that the TDA used the Request for Proposal (RFP) method of choosing a qualified company for the construction of the bike skills area which allows for the negotiation of the contract upon selection.

Commissioner Deal, seconded by Vice-Chairman Gable, moved to authorize Watauga County Tourism Development staff and the County Attorney to negotiate a contract with Trail Dynamics for an amount not to exceed \$35,000, with the Tourism Development Authority to fully fund the project at no cost to Watauga County.

After further discussion, Chairman Miller tabled the above motion and Commissioner Deal, seconded by Commissioner Blust, moved to authorize Watauga County Tourism Development staff and the County Attorney to negotiate a contract with Trail Dynamics for an amount not to exceed \$35,000, with the Tourism Development Authority to fully fund the project at no cost to Watauga County contingent, upon the contract being brought to the Board of Commissioners for final approval.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

2. Playground

Mr. Woolridge stated that, upon a request for bids for the construction of a playground at Rocky Knob Park, Beanstalk Journeys was the only bid received. Mr. Woolridge stated that, at a prior Board of Commissioners meeting, the Board requested the project be rebid due to concerns with the original Request for Proposal. With assistance from the County Attorney, TDA staff rebid the project. Beanstalk Journeys was the only vendor to submit a proposal due to the desire to use natural materials.

The Tourism Development Authority Board approved Beanstalk Journeys' proposal and contract, which was drawn by the County Attorney, in the amount of \$75,000. The playground was another component of the County fulfilling the Parks and Recreation Trust Fund (PARTF) grant requirements for Rocky Knob Park.

Commissioner Deal, seconded by Commissioner Blust, moved to approve the contract with Beanstalk Journeys in the amount of \$75,000 for the construction of a playground at Rocky Knob Park with the project to be fully funded by the Watauga County Tourism Development Authority.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

B. Recreation Trails Program Grant Application Request

Mr. Woolridge presented a Recreation Trails Program grant application in the amount of \$75,000 with an \$18,750 match that would be funded by the Watauga County Tourism Development Authority (TDA). The grant, if received, was to fund a project that included the construction of two (2) river accesses: one at Green Valley Community Park and the other off of Pine Run Road along the New River. The property where the Pine Run Road access was to be constructed was owned by the North Carolina Department of Transportation (DOT) and, therefore, an encroachment agreement between the County and the DOT would be required prior to construction. The TDA was to be the grant applicant and, therefore, responsible for all construction and maintenance costs associated with the project and encroachment.

Mr. Woolridge requested the Board's endorsement of the projects and grant application. Also the TDA requested the County agree to enter into an encroachment agreement, contingent upon award of the grant, with the DOT for the property on which the Pine Run Road access was to be constructed.

Mr. Woolridge stated that the TDA had scheduled a public hearing on Thursday, January 26, 2012, to allow citizen comment on the proposed grant application.

Commissioner Deal, seconded by Commissioner Blust, moved to endorse the project and grant application as presented by the Tourism Development Authority, subject to the TDA conducting the public hearing on Thursday, January 26, 2012, to allow for citizen comment on the proposed projects and grant application; the TDA Board notifying adjacent property owners and giving explanation at the public hearing of options to citizens who wished to oppose the grant application; and contingent upon the grant application not being submitted until after the public hearing was held.

VOTE: Aye-2(Blust, Deal)
Nay-2(Miller, Gable)
Absent-1(Futrelle)

The County Attorney verified that the motion did not pass.

After further discussion, Chairman Miller set a special meeting on Friday, January 27, 2012, at 8:00 A.M. and tabled further discussion and consideration of the grant application until that special meeting to allow the public to comment on the proposed projects at the scheduled public hearing prior to action being taken regarding the grant application.

**PUBLIC HEARING TO ALLOW CITIZEN COMMENT ON THE NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION'S SECONDARY ROAD IMPROVEMENTS
PROGRAM FOR FY 2012**

Commissioner Deal, seconded by Commissioner Blust, moved to declare the public hearing open at 6:31 P.M. to allow for comment on the Department of Transportation's (DOT) Secondary Roads Improvement Program for Fiscal Year 2012.

Mr. Ivan Dishman, District Engineer with the DOT, reviewed the program for FY 2012 which included a total allocation of \$703,951 for improvements to secondary roads in Watauga County as follows:

I. Paving Unpaved Roads			Programmed Paving Goal: 1.38 Miles	
Increase Funding				
Priority #	State Rd. #	Length (miles)	Road Name & Description	Est. Cost
	SR 1156	.69	Big Branch Road (Complete Funding) From SR1123 to End of Maintenance	\$100,000
				Subtotal \$100,000
Rural Paving Priority				
Priority #	State Rd. #	Length (miles)	Road Name & Description	Est. Cost
1	SR1331B	1.38	Roby Greene Road (Partial Funding) from end of pavement to SR1332	\$366,006
				Subtotal \$366,006
Rural Paving Alternates				
In the event that any roads in priority have to be placed on the "Hold List" due to unavailable right of way or environmental review, or if additional funding becomes available, funds will be applied to the roads listed in priority order in the paving alternate list as follows:				
Priority #	State Rd. #	Length (miles)	Road Name & Description	Est. Cost
3*	SR1526B	2.3	Sampson Road from Point to Point	\$2,300,000
4*	SR1123C	.8	Laurel Creek Road from 1157 to SR 1129	\$850,000
<i>[Clerk's Note: *Mr. Dishman clarified that Priority #'s 3&4 should be #'s 2&3]</i>				
II. General Secondary Road				
A. Unpaved Road Spot Improvements				
	SR1348	SR1231	SR1207	SR1331
	SR1126	SR1300	SR1508	SR1128
	SR1239	SR1559	SR1335	SR1211
	SR1204	SR1558	SR1353	SR1526
	SR1514	SR1660	SR1102	Etc.
				Subtotal \$117, 945
B. Other Paved and Unpaved Road Improvements				
Maintenance functions on various roads as needed. Functions may include spot stabilization, paved road improvements, replacement of small bridges with pipes, safety projects, etc.				
				Subtotal \$30,000
III. Unallocated Funds and Reserves				
Funds reserved for surveying, right-of-way acquisition, road additions, contingencies, overdrafts, and paving entrances to certified fire departments, rescue squads, etc.				
				Subtotal \$90,000
				Grand Total \$703,951

The following citizens shared their concerns regarding Roby Greene Road (13 citizens) and Laurel Creek Road (2 citizens):

Ross Garulski	Pat Carter	Greg Tague	Joan Woodworth
Mike Evans	Lori McCarthy	Mario Perret-Gentil	Jim Montague
Tom Cherry	Anita Presnell	Krista Schneider	Janice Carroll
Jennifer Critcher	Charlie Wallin	Danny Schneider	

There being no further public comment, Chairman Miller declared the public hearing closed at 7:24 P.M.

Statutes allow the Board of Commissioners to either endorse the plan or take no action at all; however, the Board has no control over the operation of the plan.

After discussion, Vice-Chairman Gable, seconded by Commissioner Deal, moved to endorse the Department of Transportation's Secondary Roads Improvement Plan as presented.

VOTE: Aye-4(Miller, Blust, Deal, Gable)
Nay-0
Absent-1(Futrelle)

By consensus, the Board agreed to direct the County Manager to draft a resolution requesting the Department of Transportation give consideration to Roby Greene Road for safety reasons and to follow up with DOT staff regarding potential discretionary funds that might be available to assist with the repairs.

LANDFILL GAS TO ENERGY PROJECT MATTERS

A. Proposed Interconnection Agreement with BREMCO

Mr. Brian Crutchfield, with Blue Ridge Electric Membership Corporation (BREMCO), presented an interconnection agreement between the County and BREMCO. The interconnection agreement was a part of the County's Gas to Energy project and was required in order for the County to place electricity generated through the project onto BREMCO's electric infrastructure.

Commissioner Deal, seconded by Commissioner Blust, moved to approve the interconnection agreement with BREMCO, contingent upon the County Attorney's review.

VOTE: Aye-4(Miller, Blust, Deal, Gable)
Nay-0
Absent-1(Futrelle)

B. Proposed Facilities Charge Agreement

Mr. Crutchfield also presented a Consumer Requested Facilities Charge Agreement between the County and BREMCO. The purpose of the agreement was to cover the cost of the facilities constructed by BREMCO in support of the Gas to Energy project. BREMCO had installed

primary metering at a single point, eliminating the seven existing meters and permitted the County to utilize the mini grid while BREMCO still maintained the facilities. This agreement established a permanent consumer requested facilities charge in the total amount of \$200 per month as long as the service was being provided.

Commissioner Blust, seconded by Commissioner Deal, moved to approve the Consumer Requested Facilities Charge Agreement, contingent upon the County Attorney's review.

VOTE: Aye-4(Miller, Blust, Deal, Gable)
Nay-0
Absent-1(Futrelle)

C. Proposed Baseline Gas Monitoring

Mr. Brian Raichle with the Appalachian State University's Department of Technology and Environmental Design requested permission to install up to three (3) wellhead monitors to record landfill gas flow, temperature, and humidity in real time. Mr. Raichle stated that the goal for the monitoring program was to improve energy production. The baseline data collected also had the potential to strengthen future proposals for external funding. Mr. Raichle stated that McGee Environmental, Inc., currently involved with the County's project, was to be involved and provide input on the design of the monitors. Appalachian State University was to provide all the necessary equipment and funds for the monitoring project at no cost to the County. County Attorney Eggers inquired about preparing a formal agreement; however, he was not directed to do so.

Commissioner Blust, seconded by Vice-Chairman Gable, moved to give permission to Appalachian State University's Department of Technology and Environmental Design to install the wellhead monitors as presented.

VOTE: Aye-4(Miller, Blust, Deal, Gable)
Nay-0
Absent-1(Futrelle)

PROPOSED GATED COMMUNITY ORDINANCE

Mr. Joe Furman stated that the Fire Commission had requested an ordinance be drafted requiring rules and standards for the installation of electronic access gates for gated communities. Mr. Furman presented a proposed Gated Community Ordinance and requested the Board schedule a public hearing for the February 21, 2012, meeting to allow public comment on the proposed ordinance. Mr. Furman stated that the Ordinance was to regulate new communities and would also require current communities to adhere to the standards when replacing gates in the future. Mr. Furman stated that the Planning and Inspections Department was to serve as the gateway for applicants under the proposed ordinance.

Mr. Ronnie Marsh with the Fire Commission stated that it would cost current communities approximately \$1,200 to \$1,500 when replacing current gates to meet the standards within the ordinance.

Vice-Chairman Gable, seconded by Commissioner Deal, moved to schedule a public hearing on Tuesday, February 21, 2012, at 6:00 P.M. to allow citizen comment on the proposed Gated Community Ordinance.

VOTE: Aye-4(Miller, Blust, Deal, Gable)
Nay-0
Absent-1(Futrelle)

TAX MATTERS

A. Monthly Collections Report

Tax Administrator Kelvin Byrd presented the Tax Collections Report for the month of December 2011. This report was presented for information only and, therefore, no action was required.

B. Refunds and Releases

Mr. Byrd presented the following Refunds and Releases for December 2011 for Board approval:

TO BE TYPED IN MINUTE BOOK

Vice-Chairman Gable, seconded by Commissioner Blust, moved to approve the Refunds and Releases Report for December 2011, as presented.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

FINANCE MATTERS

A. Budget Amendments

Ms. Margaret Pierce, Finance Director, reviewed the following budget amendments:

Account #	Description	Debit	Credit
103586-384000	Donations – Project on Aging		\$1,500
105550-429200	Program Supplies	\$1,500	

The amendment recognized a grant award from the Exxon Mobile Volunteer Foundation. The Board approved the volunteer award program at the July 12, 2011, regular Board meeting.

Account #	Description	Debit	Credit
143531-323000	Admin Cost Reimb from State		\$139,621
145480-438800	Crisis Intervention Payments	\$139,621	

The amendment recognized an additional state DSS allocation for crisis intervention payments to clients. No County funds were required in this program.

Account #	Description	Debit	Credit
103839-384000	Donations		\$7,500
104330-454000	Capital Outlay – Vehicles	\$7,500	

The amendment recognized acceptance of a mass casualty trailer as a part of a regional grant program from Homeland Security.

Commissioner Blust, seconded by Vice-Chairman Gable, moved to approve the budget amendments as presented.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

B. Records Retention Request

Ms. Pierce stated that the Board previously approved a Document Scanning Policy allowing public records in the Finance Department to be retained electronically per approval from the North Carolina Department of Cultural Resources, Division of Historical Resources, Government Records Branch. Due to interest from other County departments, Ms. Pierce presented a revised policy entitled *Watauga County Electronic Records System Policy* which was to allow for additional departments to use an electronic means of retaining records. The revised draft had been sent to the North Carolina Department of Cultural Resources for their approval.

Commissioner Blust, seconded by Vice-Chairman Gable, moved to approve the Watauga County Electronic Records System Policy as presented by Ms. Pierce.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

Ms. Pierce presented *Request for Disposal of Original Records Duplicated by Electronic Means* forms from both the Finance and Social Services Departments as required in association with the Electronic Records System Policy.

Commissioner Deal, seconded by Commissioner Blust, moved to approve the *Request for Disposal of Original Records Duplicated by Electronic Means* forms as presented by Ms. Pierce.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

Ms. Pierce presented Records Retention and Disposition Schedules for both the Sheriff's Office and Tax Department which had been updated by the North Carolina Department of Cultural Resources for consideration.

Commissioner Blust, seconded by Commissioner Deal, moved to adopt the Records Retention and Disposition Schedules for both the Sheriff and Tax Office as presented by Ms. Pierce.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

UPDATE ON CONSOLIDATED DISPATCH

Vice-Chairman Gable reported that Blowing Rock Town Council had adopted a resolution in support of consolidated dispatch; however, the Town of Boone had not yet made a commitment. Mr. Gable stated that a job description for an Emergency Services Director had been formulated and staff was working on a departmental budget. At this time, it appears that costs savings would be seen and safety issues would be met.

Vice-Chairman Gable moved to ratify the job description and publish a job advertisement in a move to have the department operable for FY 2013 which was to begin July 1, 2012.

County Attorney Eggers stated that the job description needed to include that the Emergency Services Director reports directly to either the Sheriff or the County Manager in order for the County to qualify to receive 911 funding.

County Manager Geouque stated that consolidated dispatch was also a topic for discussion on the draft agenda for the upcoming Annual Pre-Budget Retreat.

After discussion, Vice-Chairman Gable's motion died for a lack of a second to allow for the development of a departmental budget and further discussion at the Annual Pre-Budget Retreat.

MISCELLANEOUS ADMINISTRATIVE MATTERS

A. Request to Donate Bleachers from Old High School

Commissioner Deal stated that the Optimist Club had contacted him inquiring about the County possibly donating the bleachers from the old high school to the Optimist Club for use at the baseball fields leased by the County.

County Attorney Eggers stated that a resolution needed to be adopted to donate property to a non-profit and the donation would have to be advertised for five days; therefore, the Optimist Club would have to be an incorporated nonprofit agency in order to receive a donation of property from the County.

Vice-Chairman Gable, seconded by Commissioner Blust, moved to declare the bleachers at the old high school as surplus property and direct the County Manager to follow up with the Optimist Club and prepare an appropriate resolution and advertisement to meet the requirements for the donation.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

B. Boards & Commissions

County Manager Geouque stated that the term of Watauga County Recreation Commission member, Mr. Denny Norris, representing the Green Valley Elementary School district, expired December 31, 2011. Green Valley Principal, Phillip Griffin, had recommended the reappointment of Mr. Denny Norris.

Commissioner Deal, seconded by Vice-Chairman Gable, moved to waive the second reading and reappoint Mr. Denny Norris to the Watauga County Recreation Commission.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

County Manager Geouque stated that two terms on the Watauga County Tourism Development Authority (TDA) were set to expire at the end of February 2012. The TDA requested that Mr. Rob Holton and Mr. Mike Hall each be reappointed to three-year terms. Both Mr. Holton and Mr. Hall were willing to continue to serve if so appointed.

The County Manager stated that, per TDA Bylaws, the TDA Chairman was also due for appointment by the Board of Commissioners.

The above was a first reading and, therefore, no action was required at this time.

County Manager Geouque stated that the term of Watauga County Nursing Home Community Advisory Committee (NHCAC) member, Mr. Fred Badders, was to expire January 24, 2012. High Country Council of Governments' Ombudsman, Ms. Julie Wiggins, had nominated Mr. Badders for reappointment. Mr. Badders was willing to continue to serve if so appointed.

Commissioner Blust, seconded by Commissioner Deal, moved to waive the second reading and reappoint Mr. Fred Badders to the Watauga County Nursing Home Community Advisory Committee.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

C. Announcements

County Manager Geouque announced that the North Carolina Association of County Commissioners had a seminar scheduled at the UNC School of Government's Knapp-Sanders Building on January 20, 2012, entitled "Leading Your County Governing Board."

County Manager Geouque announced that the proposed dates for the Annual Pre-Budget Retreat were February 24 & 25, 2012, and March 2 & 3, 2012, with times proposed as 12:00–6:00 P.M. on Friday and 9:00 A.M.–12:00 P.M. on Saturday. The County Manager requested direction in setting the date of the Retreat.

By consensus, the Board scheduled the Annual Pre-Budget Retreat for Friday, February 24, 2012, from 12:00 noon until 6:00 P.M. and Saturday, February 25, 2012, from 9:00 A.M. until 12:00 noon.

County Manager Geouque announced that the 2012 Watauga County Economic Development Summit was scheduled for Wednesday, March 7, 2012, from 1:00–5:00 P.M. at the Blowing Rock Art and History Museum in Downtown Blowing Rock.

County Manager Geouque announced that Watauga County Library invited the Board of Commissioners to a dinner from 4:00 P.M. to 5:00 P.M. on February 21, 2012, at the Library.

PUBLIC COMMENT

There was no public comment.

CLOSED SESSION

At 8:03 P.M., Commissioner Deal, seconded by Commissioner Blust, moved to enter Closed Session to discuss Attorney/Client Matters, per G. S. 143-318.11(a)(3).

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

Vice-Chairman Gable, seconded by Commissioner Blust, moved to resume the open meeting at 8:56 P.M.

VOTE: Aye-4(Miller, Gable, Blust, Deal)
Nay-0
Absent-1(Futrelle)

ADJOURN

Chairman Miller adjourned the meeting at 8:56 P.M.

Nathan A. Miller, Chairman

ATTEST:

Anita J. Fogle, Clerk to the Board

MINUTES

DRAFT

**WATAUGA COUNTY BOARD OF COMMISSIONERS
FRIDAY, JANUARY 27, 2012
SPECIAL MEETING**

The Watauga County Board of Commissioners held a special meeting on Friday, January 27, 2012, at 8:00 A.M. in the Commissioners' Board Room of the Watauga County Administration Building, Boone, North Carolina.

PRESENT: Nathan A. Miller, Chairman
David Blust, Commissioner
Jim Deal, Commissioner
Austin Eggers, County Attorney
Deron Geouque, County Manager
Anita J. Fogle, Clerk to the Board

Chairman Miller called the meeting to order at 8:05 A.M.

[Clerk's Note: Vice-Chairman Gable and Commissioner Futrelle were not in attendance due to prior commitments.]

Commissioner Deal opened the meeting with a prayer and Commissioner Blust led the Pledge of Allegiance.

**TOURISM DEVELOPMENT AUTHORITY RECREATION TRAILS PROGRAM GRANT
APPLICATION ENDORSEMENT REQUEST**

Chairman Miller stated that the purpose of the special meeting was to consider endorsement of a Watauga County Tourism Development Authority (TDA) grant application which was originally presented to the Board of Commissioners at the January 17, 2012, regular meeting. Consideration was tabled at that time to allow for a public hearing scheduled by the Tourism Development Authority on Thursday, January 26, 2012, at 5:30 P.M.

Mr. Eric Woolridge with the TDA gave an overview of the information provided at the public hearing regarding the Recreation Trails Program grant application in the amount of \$75,000 with an \$18,750 match proposed to be funded by the TDA. The grant, if received, was to fund a project that included the construction of two (2) river paddle accesses: one at Green Valley Community Park and the other off of Pine Run Road along the New River. The grant application was due January 31, 2012, with awards to be announced in the spring. If awarded, contracts for construction would be considered in the fall of 2012. Mr. Woolridge stated that the TDA planned to continue to work with affected property owners during the current engineering phase of the project.

Mr. Rob Holton, TDA Chairman, stated that a permitting process for commercial outfitters using the paddle access areas may be considered to allow oversight of parking and to avoid potential issues such as responsibility for trash pick-up.

Mr. Wright Tilley, TDA Executive Director, stated that out of the approximate 50 attendees, 21 citizens spoke at the public hearing, 4 of which were property owners. The 4 property owners each had concerns; however, none indicated that they were totally against the project. Several agencies also showed representation at the public hearing, including Watauga County Pathways, Green Valley Community Park, Boone TDA, commercial outfitters, and the Towns of Boone and Blowing Rock. Mr. Tilley stated that overall support was expressed for the project.

Commissioner Deal, seconded by Commissioner Blust, moved to endorse the Watauga County Tourism Development Authority's Recreation Trails Program grant application in the amount of \$75,000 with an \$18,750 match to be funded by the Watauga County Tourism Development Authority (TDA) including the projects proposed to be funded by the grant.

VOTE: Aye-3(Miller, Blust, Deal)
Nay-0
Absent-2(Gable, Futrelle)

Commissioner Deal also shared support for the Tourism Development Authority's continued work with property owners located near the project.

ADJOURN

Chairman Miller, seconded by Commissioner Blust, moved to adjourn the meeting at 8:19 A.M.

Nathan A. Miller, Chairman

ATTEST:

Anita J. Fogle, Clerk to the Board

AGENDA ITEM 3:

APPROVAL OF THE FEBRUARY 7, 2012, AGENDA

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AGENDA ITEM 4:

PROPOSED INTERLOCAL AGREEMENT FOR APPALACHIAN REGIONAL LIBRARY

MANAGER'S COMMENTS:

Ms. Molly Westmoreland, Appalachian Regional Library, will present a revised Interlocal Agreement with the County. The agreement has been vetted by the County Managers and Attorneys of Ashe, Watauga and Wilkes. The Governance Committee of the Appalachian Regional Library Board recommends the draft be submitted to the Board for approval.

Board action is requested to approve the agreement as presented.

COUNTIES OF ASHE, WATAUGA, AND WILKES, NORTH CAROLINA
INTERLOCAL AGREEMENT
FOR THE APPALACHIAN REGIONAL LIBRARY SYSTEM

THIS INTERLOCAL AGREEMENT FOR THE APPALACHIAN REGIONAL LIBRARY SYSTEM, (hereinafter "Agreement") is made and entered into effective as of that date set forth herein below, by and between the **COUNTY OF ASHE**, a body politic, party of the first part; the **COUNTY OF WATAUGA**, a body politic, party of the second part; and the **COUNTY OF WILKES**, a body politic, party of the third part;

WITNESSETH:

WHEREAS, the mission of the Appalachian Regional Library (ARL) is to be an integral part of the lives of the people in the three counties by promoting the power of knowledge, the joy of reading, and the spirit of imagination; supporting and encouraging life-long learning; and contributing significantly to the sense of community and the economic well-being of Ashe, Wilkes, and Watauga Counties;

WHEREAS, recognizing the diverse communities served and the specific individual needs of their residents, three governments and their three libraries collaboratively are committed to the education, economic development, and quality-of-life contributions that libraries uniquely are able to provide and;

WHEREAS, this collaboration provides for the most effective and efficient use of local resources for the benefit of their residents and;

WHEREAS, this collaboration provides opportunities for service and resource allocations otherwise beyond the financial and service capacities of the individual governments and libraries;

NOW, THEREFORE, the parties hereto, having previously entered into an agreement in 1979 for the purposes set forth herein, and desiring to renew their commitment for the organization of the Appalachian Regional Library upon the terms set forth below, do hereby agree as follows:

SECTION I. Governments Involved

The local governments constituting the parties to this Agreement, which are hereinafter referred to as the member counties, are:

- A. Ashe County
- B. Watauga County
- C. Wilkes County

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SECTION II. Purpose Statement

The purpose of this Agreement is to perpetuate excellent library and information services to the residents of the areas included within the jurisdiction of the member counties in compliance with NCGS §153A-270 and Chapter 160A, Article 20, Part 1.

SECTION III. Board of Trustees

- A. The Appalachian Regional Library Board (ARLB) shall be the governing body of the ARL.
- B. Membership
 - 1. The membership of the ARLB shall consist of twelve (12) members, four (4) each to be appointed by the Boards of County Commissioners of Ashe County, Watauga County, and Wilkes County upon the approval of this Agreement.
 - 2. Following initial appointments by the Boards of County Commissioners under paragraph 1 above, appointments thereafter shall be in August of each year with an effective date to be the annual meeting of the ARLB in September.
 - 3. In the initial appointments under paragraph 1 above, terms of one (1) to four (4) years will be used to achieve a staggering of terms. Terms will be considered staggered when each year the terms of only three (3) members of the twelve (12) member board expire, one member from each of the member counties.
 - 4. Once staggering of terms has been achieved, each member county will appoint members for four (4) year terms. Subject to paragraph 5 below, no individual will be appointed to more than two (2) consecutive terms.
 - 5. In case of a vacancy on the ARLB, the Board of County Commissioners of the member county for which the vacancy occurs shall appoint a new member to serve the remainder of the unexpired term. ARLB members who are appointed to fill unexpired terms are eligible to be appointed for one (1) additional full term; provided, that if the new member is fulfilling an unexpired term for less than 24 months, that member is eligible to serve two (2) consecutive full terms. All ARLB members shall serve until their successors have been appointed.

C. Powers and Duties delegated to the ARLB by the Counties of Ashe, Watauga, and Wilkes

1. The ARLB shall be delegated the power to adopt such bylaws, rules, and regulations for its own guidance and for the government of the library as may be necessary and in conformity with law.
2. The ARLB shall be delegated the power to adopt policies for the regional library system's administration and operation.
3. The ARLB shall be delegated the power to select, appoint, remove, determine salary and other terms of employment of a regional library director (the ARL Director), and delegate to that person executive powers. The ARL Director shall:
 - a. Have a valid North Carolina Public Librarian Certificate; and
 - b. Be the chief executive and administrative officer of the ARL System and function in accordance with the approved policies and by-laws of the ARLB.
4. The ARLB shall develop and approve an annual budget which shall:
 - a. Be administered under the provisions of NCGS Chapter 159 and be subject to an independent audit in that ARL is a local governmental agency pursuant to NCGS § 159-7(10) with all state funds administered by the regional library and expended throughout the region as described in 07 NCAC 021.0202.
 - b. Include the separate budgets of each member county library, with the understanding that funds appropriated by each separate member county will be spent for that county; it will include an agreed upon amount paid by each member county for the materials, salaries, and operating expenses which shall be sent to the ARL Finance Officer in monthly or quarterly payments as negotiated by the ARL Finance Officer and the member county; and
 - c. Include a specified amount of funding for each library's operating costs with gifts, special memorials, endowment and trust income, and appropriations for capital outlay earmarked for the designated purpose.

5. The ARLB shall be delegated the power to appoint a regional library finance officer (the ARL Finance Officer) who shall:
 - a. Ensure expenditure of funds consistent with the budget adopted by the ARLB;
 - b. Report directly to the ARL Director and the ARLB; and
 - c. Attend and report at all meetings of the ARLB.
6. The ARLB shall be delegated the power to assure compliance with all applicable State and Federal laws and eligibility for the receipt of State and Federal funds.
7. The ARLB shall be delegated the power to make recommendations to the member counties concerning the construction and improvement of the physical facilities of the libraries within the region; however, construction and maintenance of the physical facilities within each member county shall be the responsibility of that county unless the ARLB negotiates and approves a collaborative effort.
8. The ARLB shall make regular reports related to services and operations to the governing body of each member county as conveyed by approved reports of the ARL Director.
9. The ARLB shall obtain an annual independent audit of ARL accounts consistent with generally accepted accounting principles, and submit a copy of the audit to the State Library of North Carolina and to each member county.
10. The ARLB, staff, employees, or other agents shall not have the authority to incur any debt, obligation, liability, or other expense, not otherwise provided for in its existing appropriations, which would purport to place any liability for such debt upon the member Counties without an express vote of approval from each of the member Counties Boards of Commissioners approving such indebtedness.

SECTION IV. Terms of Property Ownership

A major benefit of regional cooperation is that scarce resources may be shared among the various county residents without wasteful duplication; however, certain ownership restrictions shall apply:

- A. All buildings, grounds, facilities, furniture, equipment, books, materials, technology, resources, or other library assets owned or purchased by or for each member county or member county library shall be and remain the property of that county.
- B. All buildings, grounds, facilities, furniture, equipment, books, materials, technology, resources, or other library assets owned or purchased jointly by two or more member counties or member county libraries and not otherwise provided for under subsection A above shall be and remain the joint property of said counties, or, in the case of real property, shall be owned by said counties as tenants in common. The percentage ownership or interest of each county under this paragraph A shall be as they may agree upon at the time of purchase or assumption of ownership.
- C. All furniture, equipment, books, materials, technology, resources or other library assets directly paid for or purchased with Regional or State funds and not owned or purchased by one or more of the member counties under subsection A or subsection B above shall be and remain the property of ARL. No real property shall be owned by or titled in the name of ARL, but shall instead be governed by the provisions of either subsection A or subsection B above.

SECTION V. Insurance Coverage and Indemnification

A. Insurance Coverage

- 1. Each member county shall maintain insurance coverage for the building and grounds and other library facilities located within that county.
- 2. ARL shall maintain insurance coverage for the contents of the buildings, the ARL Regional Office, and vehicles used to provide service.

B. Indemnification

- 1. ARL shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as an officer, director, board member, or employee against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding in which he or she may become involved by reason of his or her service in such capacity; provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally

adjudicated in any proceeding not to have acted in good faith or in the reasonable belief that such action was in the best interests of the Appalachian Regional Library System; and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding

SECTION VI. Provisions for Amendment and Dispute Resolution

- A. This Agreement may be amended by instrument duly approved and executed by all of the member counties, subject to the requirements of this Section VI.
- B. Recommendations for amendments to this Agreement may be made by the ARLB or by any member county. Such recommendations shall be forwarded to the governing body of each member county in writing with a minimum thirty (30) day period for consideration provided. At any regular meeting of the governing body of each member county after expiration of said thirty (30) day period, the proposed amendments may be voted on by the governing body.
- C. Disagreements related to this Agreement shall be resolved first by a committee of representatives appointed by the governing body of each member county, with the assistance of their respective legal counsel if necessary. Should resolution by this method be unsuccessful, the governing bodies of the member counties may authorize resolution by such means as they may deem appropriate.

SECTION VII. Provisions for Withdrawal and Dissolution

- A. A member county proposing to withdraw from the ARL System shall give written notice on or before July 1 to the ARLB, the other member counties, and the State Library of North Carolina. The withdrawal shall be effective June 30 of the following calendar year.
- B. The withdrawing member county shall establish eligibility for grants to public libraries according to 07 NCAC 021.0201 on or before the effective date of withdrawal.
- C. Should the withdrawing member county, following its written notice of withdrawal under subsection A above and prior to the effective date thereof, decide to rescind said notice, it shall do so by written notice to the other member counties and the State Library of North Carolina, where upon it shall remain a part of the ARL System under all of the terms and conditions of this Agreement.
- D. Should that member fully withdraw, the Terms of Property Ownership as stated in Section IV shall apply.
- E. Unless the remaining member counties shall agree otherwise as set forth below, upon the withdrawal of only one member county this Agreement shall continue in full force

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and effect as between the remaining two member counties and said remaining counties shall remain a part of the ARL System.

- F. The ARL System shall be dissolved if at least two of the member counties withdraw in accordance with the procedures stated above, or if all of the member counties then comprising the ARL System should so agree by instrument duly approved and executed by their respective governing boards, or in any event upon expiration of the term of this Agreement as set forth in Section IX below. Any written instruction of dissolution entered into by the member counties may, but shall not be required to, include provisions for the resolution of outstanding debts and distribution of properties and resources, including appointment of a committee to accomplish the same as provided for in subsection H below.
- G. As included under NCGS Chapter 160A, Article 20, Part 1, Joint Exercise of Power, property purchased by ARL is owned jointly as tenants in common by the participating counties; therefore, if the ARL System is dissolved, the counties of Ashe, Watauga, and Wilkes shall divide the joint assets equally, including all books, technology, or other resources paid for with ARL or state funds. All buildings, grounds, and other facilities of each library shall remain the property of its respective county. Library assets owned or purchased by a county, such as facilities, furniture, equipment, or materials shall remain the property of that county.
- H. The resolution of outstanding debts and the distribution of properties and resources jointly owned may be accomplished by a committee composed of representatives from each governmental unit, the current ARL Director, and a representative from the State Library of North Carolina.
- I. After all outstanding debts are resolved, any remaining funds from the member counties shall be returned to them and the distribution of any remaining State or Federal funds shall be determined by the State Library.

SECTION VIII. Effective Date

This Agreement, in order to become effective, shall require the approval of the governing bodies of the member counties and shall become effective as of the date on which all said approvals are complete.

SECTION IX. Term and Termination: Review

- A. This Agreement shall, following the effective date hereof, continue to be in effect for a period of ten (10) years unless sooner terminated as set forth in Section VII above. The member counties may, either by amendment to this Agreement pursuant to Section VI above or by approval of a new interlocal agreement, extend the term hereof for such period as they may mutually agree upon.

- B. Upon the expiration of the term of this Agreement under subsection A above, the member counties shall immediately proceed with dissolution under Section VII and, upon completion of the same, this Agreement shall be considered terminated.
- C. This Agreement may be reviewed at any time by any of the member counties or the ARLB and, if modifications are deemed reasonable and necessary, amendments may be made according to the procedures stated above.

IN WITNESS WHEREOF, this Agreement has been executed by the principal official of the governing body of each party hereto, pursuant to authority of each respective governing body.

Attest:

ASHE COUNTY

Clerk to the Board

BY _____

Date: _____

WATAUGA COUNTY

Clerk to the Board

BY _____

Date: _____

WILKES COUNTY

Clerk to the Board

BY _____

Date: _____

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AGENDA ITEM 5:

PROPOSED PROCLAMATION DESIGNATING FEBRUARY 2012 AS SPAY/NEUTER MONTH

MANAGER'S COMMENTS:

A representative with the Watauga Humane Society will present a request for the Board to declare February "Spay/Neuter Month". Staff seeks direction from the Board.

STATE OF NORTH CAROLINA

DRAFT

COUNTY OF WATAUGA

PROCLAMATION DESIGNATING FEBRUARY 2012 AS "SPAY/NEUTER MONTH"

WHEREAS, pets provide companionship to more than 71,000,000 households in the United States; and

WHEREAS, humane societies and animal shelters have to euthanize more than four million cats, dogs, rabbits and other animals each year, many of whom are healthy and adoptable, due to a lack of critical resources and public awareness; and

WHEREAS, this tragic overpopulation of pets costs citizens and taxpayers of the County thousands of dollars annually through animal service programs aimed at coping with the thousands of homeless animals; and

WHEREAS, spaying and neutering has been shown to dramatically reduce the overpopulation of pets and feral cats, proving to be a wise investment in saving animal lives and taxpayer dollars; and

WHEREAS, veterinarians, national and local animal protection organizations, and private citizens worked together to ensure the spaying or neutering of more than 44,000 pets and feral cats through "Spay Day" in the United States in 2010; and

WHEREAS, veterinarians, national and local animal protection organizations, and private citizens have joined together again to advocate the spaying and neutering of pets and feral cats on "Spay Day 2012."

NOW, THEREFORE, BE IT PROCLAIMED by the Watauga County Board of Commissioners, that February 2012 is designated "Spay/Neuter Month;" and

BE IT FURTHER PROCLAIMED that the Watauga County Board of Commissioners encourage the people of Watauga County to observe this designation by having their own pets spayed or neutered or by sponsoring such for another person's pet or a shelter animal awaiting adoption.

ADOPTED this the 7th day of February, 2012.

ATTEST:

Nathan A. Miller, Chairman
Watauga County Board of Commissioners

Anita J. Fogle, Clerk to the Board

(SEAL)

AGENDA ITEM 6:

PRESENTATION OF SMOKY MOUNTAIN CENTER'S ANNUAL AUDITED FINANCIAL REPORT

MANAGER'S COMMENTS:

Ms. Margaret Pierce, Finance Director, will present the Smoky Mountain Center Annual Audited Financial Statements as required by Statute. Brian Ingraham, CEO, and Shelly Foreman, Planning and Public Affairs Director, with Smoky Mountain will be present to answer any questions. The report is included in your packet for review.

No action is required.



WATAUGA COUNTY FINANCE OFFICE

814 West King St., Room 216 - Boone, NC 28607 - Phone (828) 265-8007 Fax (828) 265-8006

MEMORANDUM

TO: Deron T. Geouque, County Manager
FROM: Margaret Pierce, Finance Director *MP*
SUBJECT: Smoky Mountain Center Audited Financial Statements
DATE: February 1, 2012

Attached is a copy of the audited financial report from Smoky Mountain Center for the fiscal year ended June 30, 2011. This audited financial report was provided by Smoky Mountain Center to comply with the G.S. 122C-117(d).

excerpt from G.S. 122C-117(d)

(d) A multicounty area authority shall provide to each board of county commissioners of participating counties a copy of the area authority's annual audit. The audit findings shall be presented in a format prescribed by the county and shall be read into the minutes of the meeting at which the audit findings are presented.

Smoky Mountain Center
44 Bonnie Lane
Sylva, NC 28779



Area Administrative Office
828-586-5501
www.smokymountaincenter.org

"Meeting community needs... one person at a time."



January 16, 2012

Dear County Finance Officer:

Enclosed you will find Smoky Mountain Center's audited Financial Statements for fiscal year ended June 30, 2011.

The updated and finalized Fiscal Monitoring Report (FMR) will follow under separate cover.

If you have any questions regarding the enclosed reports, please e-mail Lisa Slusher, Finance Officer, at: lisa@smokymountaincenter.com; or Sherri Hayes, Accounting Manager, at: sherri@smokymountaincenter.com.

Sincerely,

Sherri L. Hayes, BS
Accounting Manager
Smoky Mountain Center

Enclosure

**Smoky Mountain Center for Mental Health,
Developmental Disabilities
and Substance Abuse Services
Sylva, North Carolina**

**Financial Statements
June 30, 2011**

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Independent Auditors' Report

Board of Directors
Smoky Mountain Center for Mental Health, Developmental Disabilities
and Substance Abuse Services
Sylva, North Carolina

We have audited the accompanying basic financial statements of the governmental activities, major fund and the aggregate remaining fund information of Smoky Mountain Center for Mental Health, Developmental Disabilities and Substance Abuse Services (the "Center"), as of and for the year ended June 30, 2011, which collectively comprise the Center's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Center as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison of the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2011 on our consideration of the Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and the Other Postemployment Benefits Schedules of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by accounting standards generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion thereon.

To the Board of Directors
Smoky Mountain Center for Mental Health, Developmental Disabilities
and Substance Abuse Services
Page Two

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of the Center. The accompanying schedule of expenditures of federal and state awards as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Implementation Act*, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Gould Killian CPA Group, P.A.

Asheville, North Carolina
December 21, 2011

Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services

Management's Discussion and Analysis

This section of Smoky Mountain Center's (SMC) financial report represents our discussion and analysis of the financial performance of SMC for the fiscal year ended June 30, 2011. We encourage readers to read the information presented here in conjunction with the audited financial statements included in this report. Board designations of fund balance require approval by SMC's Board of Directors and the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH). Requests for these designations have been officially approved by both.

Financial Highlights

- The assets of SMC exceeded its liabilities at the close of the fiscal year by \$20,605,440 (net assets). Approximately 77% of this total amount or \$15,975,530 is available for spending at SMC's discretion.
- SMC's total net assets increased by \$903,249 due to revenues exceeding expenditures for governmental activities. The primary reason for the increase in net assets was efficiencies in administrative functions and service fund utilizations being under projections. Offsetting the increase in net assets was use of fund balance for Medicaid waiver readiness and legal fees/costs associated with Evergreen Foundation.
- At the end of the fiscal year, SMC's fund balance in the General Fund was \$18,599,111. Of the fund balance \$1,912,358 was unassigned; \$154,019 was for nonspendable prepaid items; \$3,490,726 was restricted by state statute; \$2,308,620 was assigned for subsequent year's expenditures; and \$10,733,388 was committed by SMC's Board of Directors with DMH approval.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to SMC's basic financial statements which consist of three components as follows: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of SMC's finances through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of SMC.

Basic Financial Statements

The first two statements in the basic financial statements are the *government-wide statements*. They provide both short and long-term information about SMC's financial status.

The next statements are *fund financial statements*. These statements focus on the activities of the individual parts of SMC's government. These statements provide more detail than the government-wide statements. There are three parts to the fund financial statements: 1) the governmental funds statements and 2) the budgetary comparison statements, and 3) the internal fund statements.

The next section of the basic financial statements is the *notes*. The notes to the financial statements explain in detail some of the data contained in those statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of SMC's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide both short and long-term information about SMC's financial status as a whole.

The two government-wide statements report SMC's net assets and how they have changed. Net assets are the difference between SMC's total assets and total liabilities. Measuring net assets is one way to gauge SMC's financial condition.

Government-wide financial statements may be divided into as many as three categories: 1) governmental activities, 2) business-type activities, and 3) component units. However, SMC does not have any business-type activities or component units. The governmental activities include all of SMC's services such as general administration and consumer services. Financing these activities is financial support from state government, county maintenance of effort from county governments, and other miscellaneous local funding.

Fund Financial Statements

The fund financial statements provide a more detailed look at SMC's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. SMC, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or SMC's budget ordinance. All of the funds of SMC are of the governmental fund category.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government wide financial statements. All of SMC's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance SMC's programs. The relationship between governmental activities (reported in the Statement of Net Assets and

the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Budgetary Comparisons - SMC adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the constituent member local governments, the management of SMC, the Consumer and Family Advisory Council (CFAC) and the decisions of the Board about which services to provide and how to pay for them. It also authorizes SMC to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well SMC complied with the budget ordinance and whether or not SMC succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board, 2) the final budget as amended by the Board, 3) the actual resources, charges to appropriations, and ending balances in the General Fund, and 4) the difference or variance between the final budget and the actual resources and charges.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

Net Assets
Table 1
Condensed Statement of Net Assets
June 30, 2011 and 2010

	Governmental Activities	
	2011	2010
Current and other assets	\$23,015,096	\$22,712,536
Capital assets	1,139,184	1,154,909
Total assets	24,154,280	23,867,445
Current liabilities	2,989,102	3,705,330
Long-term liabilities	559,738	459,924
Total liabilities	3,548,840	4,165,254
Net assets:		
Invested in capital assets, net of related debt	1,139,184	1,154,909

Restricted	3,490,726	4,024,443
Unrestricted	15,975,530	14,522,839
Total net assets	\$20,605,440	\$19,702,191

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. As of June 30, 2011, the assets of SMC exceeded liabilities by \$20,605,440. SMC's net assets increased by \$903,249 for the fiscal year ended June 30, 2011. 5.5% of net assets are reflected in SMC's investment in capital assets (vehicles, office and computer equipment, leasehold improvements, and buildings). SMC uses these capital assets to meet its LME system management responsibilities in addition to supporting consumer services and other service initiatives; consequently these assets are not available for future spending. At June 30, 2011, net assets of \$3,490,726 remained restricted by state statute. The remaining balance of \$15,975,530 is unrestricted.

Changes in Net Assets

Table 2

Condensed Statement of Revenues, Expenses, and Changes in Net Assets For the Years Ended June 30, 2011 and 2010

	Governmental Activities	
	2011	2010
Revenues:		
Program revenues:		
Charges for services	\$34,327,292	\$38,090,482
Operating grants & contributions	13,127,565	10,824,718
General revenues:		
Investment earnings, unrestricted	47,214	32,634
Other revenues	85,653	1,254,416
Total revenues	47,587,724	50,202,610
Expenses:		
Governmental activities:		
Administrative Services:		
Local Management Entity	7,388,081	8,003,358
SMC Consumer Service:		
Psychiatric/Outpatient	117,467	2,370,008
Emergency/Mobile Crisis	52,664	1,694,893
Crisis Stabilization Balsam Center	18,171	1,324,744
Contracted Consumer Service:		
Behavioral Health Contracted Service	37,364,187	33,763,182
Miscellaneous Services:		
Smoky Non-Direct Consumer Service	1,029,117	780,246

Third Party Administrative Service	395,632	2,565,277
Grants (Shelter Plus Care, Tele-Psych)	319,156	240,748
Total Expenses	46,684,475	50,742,456
Change in net assets	903,249	(539,846)
Net assets, July 1	19,702,191	20,242,037
Net assets, June 30	\$20,605,440	\$19,702,191

Governmental Activities. Governmental activities increased SMC's net assets by \$903,249. The primary reason for the increase in net assets was under utilization of funding committed for administrative personal services and contracted consumer services.

Financial Analysis of SMC's Funds

As noted earlier SMC uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of SMC's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund accounts for all resources of SMC. At the end of the fiscal year, unassigned (unreserved) and assigned fund balance of the General Fund was \$4,220,978 while total fund balance was \$18,599,111. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned and assigned fund balance to total fund expenditures of \$46,324,688. Unassigned and assigned fund balance represents 9% of total General Fund expenditures and transfers, while total fund balance represents 40% of that same amount. Revenues exceeded expenditures by \$1,263,036. The primary reasons for this were efficient administrative operations and under utilization of service funds.

SMC's Board of Directors approved designation of \$1,400,000 of unassigned fund balance during the fiscal year. This designation was approved by DMH and is:

- \$1,400,000 for transitioning to operate under 1915 b/c Medicaid waiver. This brought the total fund balance designated for Medicaid waiver to \$3,200,000, with \$360,961 used during FY10/11. At June 30, 2011 available funding remaining for waiver transition is \$2,838,039.

During FY 10/11, SMC used \$98,032 of its designated fund balance for legal fees. At June 30, 2011, available funding remaining for legal fees/costs is \$294,906.

Governmental Funds Budgetary Highlights. During the fiscal year, SMC revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments to

recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased budgeted revenues by \$7,907,984. This change was comprised primarily of increases in pass through funds of Medicaid and CAP Medicaid, contracted income, restoration of service funds from the Division of Mental Health, 3-way hospital pilot funds for Haywood Regional and Cannon Memorial, and Strategic Prevention Framework federal funds. Significant decreases to budgeted revenues occurred in appropriation of fund balance.

Internal Service Fund. The Internal Service Fund is used to account for medical and dental insurance to employees and retirees of Smoky Mountain Center. At the end of the fiscal year, assets exceeded liabilities by \$1,426,883. During the fiscal year ended June 30, 2011, net assets decreased \$244,249 as a result of operating expenses (claims paid, administrative fees, and insurance premiums) exceeding contributions from employer, employee, retirees, and COBRA payments. Not fully funding the self insured plan due to an inadequate premium structure, along with paying final claims for Meridian Behavioral Health Services, resulted in the decrease in net assets. SMC's evaluation of its existing self funded health insurance plan resulted in a decision to remain self insured, with expected losses to come from the plan reserve. For FY 11/12, SMC selected a new plan administrator - Scott Benefits and increased the plan deductibles. A Health Reimbursement Account was implemented with SMC covering a portion of the deductible.

Capital Asset and Debt Administration

Capital Assets. SMC's capital assets for all governmental activities as of June 30, 2011, totals \$1,139,184 net of accumulated depreciation. These assets include buildings, vehicles, computer equipment, office furniture/equipment, and leasehold improvements.

Major capital asset transactions during the year included:

- Transfer of six vehicles from fleet, phone system, video conferencing equipment, and other miscellaneous assets and items to service provider in Southern Region whom Smoky operated services were divested to on July 1, 2010
- Purchase of Alpha MCS software (under development)
- Purchase of Dynamics Great Plains software
- Purchase of two vehicles
- Purchase of IBM System Storage
- Purchase of Eternus Data Storage
- Purchase of one video conference unit
- Purchase of one Hewlett Packard printer
- Addition of fire escape to East Street building in Waynesville

Smoky Mountain Center's Capital Assets
Table 3
Summary of Capital Assets
(net of depreciation)
As of June 30, 2011 and 2010

	Governmental Activities	
	2011	2010
Land and Buildings	\$627,329	\$654,573
Vehicles	\$73,505	\$130,131
Computer equipment	\$61,255	\$42,445
Work in Progress	\$137,570	\$-0-
Office equipment	\$155,554	\$244,767
Leasehold Improvements	\$83,971	\$82,993
Total	\$1,139,184	\$1,154,909

Additional information on SMC's capital assets can be found in Note 3 of the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- Medicaid Waiver.** North Carolina public policy directed by both the Governor and the Secretary of the Department of Health and Human Services is for all LME's to operate under a 1915 b/c Medicaid Waiver by July 1, 2013. To this end, SMC submitted a Medicaid Waiver plan in May 2011 in response to the Division of Medical Assistance's request for application. SMC was selected and in July 2011 passed a comprehensive on site review conducted by Mercer National Consulting Group. Prior to the submission of the application, SMC was required to divest of any remaining face to face consumer services. The remaining programs/services that were divested were Work First services and Deaf and Hard of Hearing services. SMC's Board of Directors, along with the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH), approved SMC to designate an additional \$1,400,000 of its fund balance to transition SMC to be ready to operate under a 1915 b/c Medicaid waiver. This funding will be utilized to cover increase in administrative staff infrastructure, accounting and claims management software and related hardware, space needs, consultants, and other costs related to transition. SMC's goal is to begin Medicaid waiver operations by July 1, 2012.
- Rescinding of State Budget Reductions.** SMC purchases services from providers in SMC's network with State and Federal funding from DMH. For FY 10/11, DMH was to continue service reductions to LMEs and projected reducing SMC's service funding by \$4,212,569. SMC was planning on using \$3,200,000 of fund balance to offset the service funding reductions. DMH was able to restore the full amount of funding; therefore, consumer services were not reduced.

- **Central Region Services.** SMC released a Request for Proposal (RFP) to select a service provider to deliver a comprehensive array of child and adult mental health and/or substance abuse services in the Central Region beginning July 1, 2011. The goal of this RFP was to select a provider who could increase service penetration in the counties of Alexander, Caldwell, and McDowell. Consumers, stakeholders, SMC Board members, and SMC staff participated in the process of reviewing provider proposals. RHA, a provider of services across the state of NC, was selected and began providing services in the Central Region on July 1, 2011.
- **Evergreen Foundation.** SMC continues to engage legal counsel in pursuit to negotiate outstanding issues with Evergreen Foundation. SMC's main administrative office, located in Sylva, continues to be leased from Evergreen Foundation.

Budget Highlights for the Fiscal Year Ending June 30, 2012

- **Fund Balance Appropriations.** SMC's Board of Directors adopted SMC's FY 11/12 with \$2,770,000 of fund balance appropriated to cover costs for SMC to transition to operate under a 1915 b/c Medicaid waiver. The budget contained another \$100,000 of fund balance designated to cover costs associated with ongoing legal issues related to Evergreen Foundation. In FY 11/12, SMC's Board of Directors, in conjunction with approval from DMH, approved designating additional funding of \$800,000 for Medicaid waiver.
- **Increase in Staff Positions and Related Personal Services.** SMC has 20.5 more positions budgeted for FY 11/12 than it had at the beginning of the prior fiscal year. Number of LME positions remained steady, but a number of positions were added for Medicaid waiver infrastructure. The Medicaid positions are to be funded from the designated fund balance for Medicaid waiver. Also increasing the costs of personal services were increases in the employer's share of insurance and retirement. After several years of not having a cost of living adjustment, SMC was able to reward staff with a 2% salary adjustment.
- **Decrease in State Revenues.** DMH reduced SMC's state service funds by \$2,308,620. DMH required SMC to appropriate fund balance of \$632,415 to offset this loss. SMC's Board of Directors approved appropriating fund balance to cover the full reduction of \$2,308,620 so consumer services would not have to be reduced or terminated.
- **Decrease in LME Administrative Revenue.** DMH eliminated funding for child and family team positions associated with providing behavioral health services in the schools. SMC's funding was \$120,000 and supported two positions - one in McDowell County and one in Swain County. SMC eliminated these positions from its budget.
- **Start Up Funding.** SMC provided start up funding to two providers in SMC's northern region. These providers expanded their service delivery to ensure continuity of consumer services, due to the previous main comprehensive service provider no longer providing services.

- **Information Technology Software.** SMC has entered into contracts to purchase new software needed for Medicaid waiver operations. Being purchased is all new accounting software, along with new claims management software.

Requests for Information

This report is intended to provide a summary of the financial condition of SMC. Questions or requests for additional information should be addressed in writing to:

Smoky Mountain Center
44 Bonnie Lane
Sylva, NC 28779
Attn: Lisa D. Slusher
Chief Financial Officer

Or
Lisa.Slusher@smokymountaincenter.com

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Statement of Net Assets
Governmental Activities
June 30, 2011

Assets:

Current assets:

Cash and cash equivalents	\$ 19,361,715
Accounts receivable	3,499,362
Prepaid expenses	<u>154,019</u>

Total current assets 23,015,096

Nondepreciable capital assets

260,068

Capital assets, net of depreciation

879,116

Total assets 24,154,280

Liabilities:

Current liabilities:

Accounts payable	1,793,663
Accrued payroll related liabilities	600,691
Division settlement	<u>594,748</u>

Total current liabilities 2,989,102

Compensated absences:

Due in more than one year	391,652
OPEB liability	<u>168,086</u>

Total liabilities 3,548,840

Net Assets:

Invested in capital assets	1,139,184
Restricted for:	
Stabilization by state statute	3,490,726
Unrestricted	<u>15,975,530</u>

Total net assets \$ 20,605,440

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Statement of Activities
For the Year Ended June 30, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Changes in Net</u>
			<u>Contributions</u>	<u>Assets</u>
				<u>Governmental</u>
				<u>Activities</u>
Governmental activities:				
Administrative services:				
Local management entity services	\$ 7,388,081	\$ -	\$ 7,242,715	\$ (145,366)
SMC client services:				
Psychiatric & outpatient	117,467	63,043	-	(54,424)
Emergency & mobile crisis	52,664	8,422	-	(44,242)
Crisis stabilization	18,171	15,689	-	(2,482)
Contracted client services:				
Behavioral health contracted services	37,364,187	33,227,244	5,254,824	1,117,881
Miscellaneous services:				
Non-direct consumer services	1,029,117	817,241	313,664	101,788
Third party administrative services	395,632	195,653	-	(199,979)
Grants (Shelter Plus, Telepsychiatry)	319,156	-	316,362	(2,794)
	<u>\$ 46,684,475</u>	<u>\$ 34,327,292</u>	<u>\$ 13,127,565</u>	<u>770,382</u>
		General revenues:		
		Interest income		47,214
		Miscellaneous		85,653
				<u>132,867</u>
		Total general revenues		
				<u>903,249</u>
		Change in net assets		
		Net assets-beginning		<u>19,702,191</u>
		Net assets-ending		<u>\$ 20,605,440</u>

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Balance Sheet
Governmental Fund
June 30, 2011

Assets

Cash and cash equivalents	\$ 17,839,839
Accounts receivable, net	3,490,726
Prepaid items	<u>154,019</u>
Total assets	<u>\$ 21,484,584</u>

Liabilities and Fund Balance

Liabilities:

Accounts payable	\$ 1,690,034
Accrued payroll related liabilities	600,691
Division settlement	<u>594,748</u>
Total liabilities	<u>2,885,473</u>

Fund Balances:

Nonspendable prepaid items	154,019
Restricted:	
Stabilization by state statute	3,490,726
Committed:	
Reserved for consumer services	4,024,443
Unemployment compensation	250,000
Annual leave payout	325,000
Retention risk pool	500,000
Legal actions	294,906
Administrative offices	2,500,000
Medicaid waiver readiness	2,839,039
Assigned:	
Subsequent year's expenditures	2,308,620
Unassigned	<u>1,912,358</u>
Total fund balance	<u>18,599,111</u>
Total liabilities and fund balance	<u>\$ 21,484,584</u>

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets
June 30, 2011

Total fund balance of governmental fund	\$ 18,599,111
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	1,139,184
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to the individual fund. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets	1,426,883
Compensated absences are not due and payable in the current period and therefore are not reported in the funds	(391,652)
Other postemployment benefits are not due and payable in the current period and therefore are not reported in the funds	<u>(168,086)</u>
Net assets of governmental activities	<u>\$ 20,605,440</u>

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended June 30, 2011

Revenues:		
Local		\$ 10,557,207
State		32,679,532
Federal		<u>4,350,985</u>
Total revenues		<u>47,587,724</u>
Expenditures:		
Personal services		7,226,250
Supplies and materials		116,057
Current obligations and services		700,505
Fixed charges and other expenditures		788,743
Capital outlay		382,240
Contracts, grants, and other subsidies		<u>37,110,893</u>
Total expenditures		<u>46,324,688</u>
Revenues over expenditures		1,263,036
Fund balance, beginning of year		<u>17,336,075</u>
Fund balance, end of year		<u>\$ 18,599,111</u>

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund to the Statement of Activities
For the Year Ended June 30, 2011

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance-total governmental fund	\$ 1,263,036
The Governmental fund reports capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and loss on disposals exceeded capital outlays in the current period.	(15,726)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in compensated absences.	(41,767)
Change in other postemployment benefits.	(58,045)
An internal service fund is used by management to track the costs associated with health insurance:	
Change in net assets of the internal service fund reported with governmental activities.	<u>(244,249)</u>
 Total changes in net assets of governmental activities	 <u>\$ 903,249</u>

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended June 30, 2011

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
Revenues:				
Local	\$ 11,204,076	\$ 11,538,302	\$ 10,557,207	\$ (981,095)
State	26,880,035	33,403,916	32,679,532	(724,384)
Federal	3,384,592	4,434,469	4,350,985	(83,484)
Total revenues	<u>41,468,703</u>	<u>49,376,687</u>	<u>47,587,724</u>	<u>(1,788,963)</u>
Expenditures:				
Personal services	6,937,074	7,361,527	7,226,250	135,277
Supplies and materials	116,638	137,639	116,057	21,582
Current obligations and services	665,242	731,179	700,505	30,674
Fixed charges and other expenditures	715,750	796,300	788,743	7,557
Capital outlay	261,000	428,570	382,240	46,330
Contracts, grants, and other subsidies	32,772,999	39,921,472	37,110,893	2,810,579
Total expenditures	<u>41,468,703</u>	<u>49,376,687</u>	<u>46,324,688</u>	<u>3,051,999</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1,263,036</u>	<u>1,263,036</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,263,036</u>	<u>\$ 1,263,036</u>
Fund balance, beginning of year			<u>17,336,075</u>	
Fund balance, end of year			<u>\$ 18,599,111</u>	

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Statement of Net Assets
Internal Service Fund
June 30, 2011

Assets:

Current assets:

Cash and cash equivalents	\$ 1,521,876
Accounts receivable	<u>8,636</u>

Total assets	<u>1,530,512</u>
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Liabilities:

Current liabilities:

Claims payable	100,960
Other liabilities	<u>2,669</u>

Total liabilities	<u>103,629</u>
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Net assets:

Unrestricted	<u>\$ 1,426,883</u>
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The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Statement of Revenues, Expenses, and Changes in Net Assets
Internal Service Fund
For the Year Ended June 30, 2011

Operating Revenues:

Contributions:

Employer	\$ 474,836
Employee	263,101
Stop loss coverage	269,911
COBRA payments	<u>51,542</u>

Total operating revenues 1,059,390

Operating Expenses:

Claims paid	1,086,813
Administrative fees	35,125
Insurance premiums	<u>184,477</u>

Total operating expenses 1,306,415

Operating income (loss) (247,025)

Non operating revenues:

Interest income	<u>2,776</u>
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Change in net assets (244,249)

Net assets, beginning of year 1,671,132

Net assets, end of year \$ 1,426,883

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Statement of Cash Flows
Internal Service Fund
For the Year Ended June 30, 2011

Cash flows from operating activities:	
Receipts from employer and employees	\$ 1,282,157
Payments for claims and insurance	<u>(1,368,904)</u>
Net cash used by operating activities	<u>(86,747)</u>
 Cash flows from investing activities:	
Interest income	<u>2,776</u>
Net change in cash and cash equivalents	(83,971)
Cash and cash equivalents, beginning of year	<u>1,605,847</u>
Cash and cash equivalents, end of year	<u>\$ 1,521,876</u>
 Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ (247,025)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Decrease in accounts receivable	221,039
Decrease in claims payable	(62,489)
Increase in other liabilities	<u>1,728</u>
Net cash used by operating activities	<u>\$ (86,747)</u>

The accompanying notes are an integral part of these financial statements

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

NOTES TO FINANCIAL STATEMENTS
June 30, 2011

Note 1 - Summary of Significant Accounting Policies

The accounting policies of Smoky Mountain Center for Mental Health, Developmental Disabilities and Substance Abuse Services (the "Center") conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of significant accounting policies:

A. Reporting Entity

The Center, which is governed by a thirty-four member Board of Directors, is one of the remaining twenty-three authorities established in North Carolina under North Carolina General Statutes Section 122c-35. The Center manages the provision of mental health, intellectual and developmental disabilities and substance abuse services to the citizens of Alexander, Alleghany, Ashe, Avery, Caldwell, Cherokee, Clay, Graham, Haywood, Jackson, Macon, McDowell, Swain, Watauga, and Wilkes counties and is the local management entity for this service area. Chapter 159 of the North Carolina General Statutes, Local Government Budget and Fiscal Control Act, governs the budgeting and financial administration activities of the Center.

B. Basis of Presentation, Basis of Accounting

Government-wide Statements: The statement of net assets and the statement of activities display information about the Center. These statements include the financial activities of the overall government. Governmental activities generally are financed through intergovernmental revenues and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Center's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Fund Financial Statements: The fund financial statements provide information about the Center's funds. Separate statements for each fund category – *governmental and internal service* – are presented. The emphasis of fund financial statements is on the major governmental fund.

The Center reports the following governmental fund:

General Fund - The General Fund is the general operating fund of the Center. The General Fund accounts for all financial resources except those required to be accounted for in another fund. The primary revenue source is funding from the North Carolina Department of Health and Human Services. The primary expenditures are for the purchase and/or provision of mental health, intellectual and developmental disabilities and substances abuse services.

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Notes to Financial Statements (continued)

The Center reports the following Internal Service Fund:

Internal Service Fund – The Internal Service Fund is used to account for health and dental benefits to employees of the Center. Meridian Behavioral Health Services, Inc. no longer participates in the plan, but final payments on claims continue to be made.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Center are maintained during the year using the modified accrual basis of accounting.

Government-wide and Internal Service Fund Financial Statements. The government-wide and internal service fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Center gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Center considers Medicaid and Health Choice patient revenues to be available when services are rendered. The Center considers all other revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, state, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

Under the terms of grant agreements, the Center funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the Center's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

All governmental activities and the internal service fund of the Center follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. Budgetary Data

The Center's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund. All annual appropriations lapse at fiscal year-end. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the functional level for the General Fund. The area director is authorized by the budget ordinance to transfer appropriations between functional areas within a fund up to \$5,000; however, any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000 must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Notes to Financial Statements (continued)

A budget calendar is included in the North Carolina General Statutes that prescribes the last day on which certain steps of the budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed.

April 30 – Each department head will transmit to the budget officer the budget requests and revenue estimates for their department for the budget year.

June 1 - The budget and the budget message shall be submitted to the governing board. The public hearing on the budget shall be scheduled at this time.

July 1 - The budget ordinance shall be adopted by the governing board.

E. Assets, Liabilities, and Net Assets/Fund Balance

Deposits and Investments - All deposits of the Center are made in board-designated official depositories and are secured as required by North Carolina G.S. 159-31. The Center may designate as an official depository any bank or savings association whose principal office is located in North Carolina. Also, the Center may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law G.S. 159-30(c) authorizes the Center to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

Cash and Cash Equivalents – The Center pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Accounts Receivable – Accounts receivable represent fees due from patients, including third-party reimbursement, for services rendered based upon the patient's ability to pay.

Allowance for Doubtful Accounts - All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

Capital Assets - The Center's capital assets are recorded at original cost. Donated assets are listed at the market value at the date of donation. Depreciation is calculated using the straight-line method and the assets are recorded at their estimated net realizable value.

It is the policy of the Center to capitalize all capital assets costing more than \$5,000 with an estimated useful life of two or more years. In addition, other items that are purchased and used in large quantities are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives based on American Hospital Association guidelines:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Vehicles	4-5
Computer equipment	3-5
Office furniture	5-10
Leasehold improvements	5-20
Buildings	20

Compensated Absences – The vacation policy of the Center provides for the accumulation of up to two hundred forty (240) hours earned vacation leave with such leave being fully vested when earned. For the government-wide statements, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The current portion of the accumulated vacation pay is not considered to be material; therefore, no expenditure or liability has been reported in the Center’s governmental funds.

The sick leave policy of the Center provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Center has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Net Assets/Fund Balance – Net assets in the government-wide and internal service fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted.

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Prepaid items - portion of fund balance that is not an available resource because it represents the year-end balance of ending prepaid items, which are not spendable resources.

Restricted Fund Balance - This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization of State Statute - portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Notes to Financial Statements (continued)

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by majority vote of the governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body. Fund balance has been committed for the following purposes:

- 1) Consumer services
- 2) Unexpected annual unemployment assessments
- 3) Potential annual leave payouts
- 4) The retention risk pool
- 5) Legal expense
- 6) The purchase of a new administrative office
- 7) Medicaid waiver readiness

Assigned Fund Balance - portion of fund balance that the governing board has budgeted.

Unassigned Fund Balance - Portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

F. Revenue

Medicaid Revenue - Services rendered to Medicaid program beneficiaries by the Center are reimbursed under a cost reimbursement methodology. Revenue under third-party payer agreements is subject to audit and retroactive adjustment.

Federal and State Assisted Program Revenue - The Center has received proceeds from several federal and state grants and reimbursement programs. Periodic audits of these grants and reimbursement programs are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of monies to the agencies. Differences between the estimated amounts previously recorded and final settlements are reported in operations in the year of settlement.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Stewardship, Compliance, and Accountability

Significant Violations of Finance-Related Legal and Contractual Provisions

Noncompliance with North Carolina General Statutes

- A. The Center's financial assistance contracts did not outline the specific reporting requirements required by every non-State entity receiving, using, or expending State funds. The requirements are mandated by N.C. G.S. 143C-6 and the N.C. Administrative Code.

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
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Notes to Financial Statements (continued)

The Center has taken steps to correct this problem initially reported last fiscal year. The Center has implemented a formal process of determining the nature of all contracts, and upon determination that a contract meets the requirements of a financial assistance contract, the Center then adds the required language to the contract. As the older contracts expire and are replaced with newer contracts, there will be fewer contracts which fail to meet this requirement.

Note 3 – Detail Notes on All Funds

Assets

Deposits – All of the Center's deposits are collateralized under the Pooling Method, which is a collateral pool. Under this method, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Center, these deposits are considered to be held by the Center's agents in the Center's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Center or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Center under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

At June 30, 2011, the Center's deposits had a carrying amount of \$19,361,115 and a bank balance of \$20,460,456. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$20,210,456 in interest bearing deposits was covered by collateral held under the pooling Method. The Center does not have a deposit policy for custodial credit risk.

The Center also had cash on hand of \$600.

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
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Notes to Financial Statements (continued)

Capital assets – Capital asset activity for the primary government for the year ended June 30, 2011, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Work in progress	\$ -	\$ 137,570	\$ -	\$ 137,570
Land	122,500	-	-	122,500
Total capital assets not being depreciated	<u>122,500</u>	<u>137,570</u>	<u>-</u>	<u>260,070</u>
Capital assets being depreciated:				
Buildings	544,889	-	-	544,889
Vehicles	458,868	33,000	113,401	378,467
Computer equipment	1,968,896	46,177	359,170	1,655,903
Office furniture	562,053	21,486	253,193	330,346
Leasehold improvements	109,862	34,335	26,855	117,342
Total capital assets being depreciated	<u>3,644,568</u>	<u>134,998</u>	<u>752,619</u>	<u>3,026,947</u>
Less accumulated depreciation for:				
Buildings	12,816	27,244	-	40,060
Vehicles	328,738	51,026	74,802	304,962
Computer equipment	1,926,451	19,514	351,317	1,594,648
Office furniture	317,286	36,927	179,421	174,792
Leasehold improvements	26,868	7,264	761	33,371
Total accumulated depreciation	<u>2,612,159</u>	<u>\$ 141,975</u>	<u>\$ 606,301</u>	<u>2,147,833</u>
Governmental activities capital assets, net	<u>\$ 1,154,909</u>			<u>\$ 1,139,184</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Local management entity services	\$ 134,752
Geriatric Team	5,500
Behavioral health contracted services	1,723
Total depreciation expense	<u>\$ 141,975</u>

Liabilities

Pension Plan and Other Postemployment Obligations

Local Governmental Employees' Retirement system

Plan Description. The Center contributes to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina, 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute 6% of their annual covered salary. The Center is required to contribute at an actuarially determined rate. For the Center, the current rate for employees is 6.88% of annual covered payroll. The contribution requirements of members and of the Center are established and may be amended by the North Carolina General Assembly. The Center's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$325,574, \$452,344, \$352,805, respectively. The contributions made by the Center equaled the required contributions for each year.

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Notes to Financial Statements (continued)

Other Postemployment Benefits – Healthcare benefits

Plan Description. Smoky Mountain Center administers a defined benefit Employee Benefit Fund (EBF). As of September 1, 2004, Smoky Mountain Center employees who retire and draw benefits from the Local Government Retirement System (LGRS) have the ability to continue their health and dental coverage under the Center's EBF. The Center will provide a percentage of the cost of coverage based on the number of years of service and the employee's age at the time of retirement. The applicable percentage of total cost to be paid by the Center is listed in the following tables.

**Employees With at Least 20 years of Service at
Smoky Mountain Center and Receiving LGERS Benefits**

<u>Retirement Age</u>	<u>Center Contribution to Health and/or Dental Costs</u>
60	100%
59	83%
58	71%
57	62%
56	55%
55	50%
54	45%
53	41%
52	38%
51	35%
50	33%

**Employees With at Least 15 years of Service at
Smoky Mountain Center and Receiving LGERS Benefits**

<u>Retirement Age</u>	<u>Center Contribution to Health and/or Dental Costs</u>
60	50%
59	41%
58	35%
57	31%
56	27%
55	25%
54	22%
53	20%
52	19%
51	17%
50	16%

Coverage may continue for the retiree until the retiree becomes entitled to Medicare benefits or reaches the age of sixty-five, whichever comes first. Also, the Center's retirees can purchase coverage for their dependents at the Center's group rates. The Center may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the Employee Health Benefits Plan consisted of the following at June 30, 2009, the date of the latest actuarial evaluation:

Retirees and dependents receiving benefits	28
Active plan members	162
Total	<u>190</u>

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Notes to Financial Statements (continued)

Funding Policy. The Center pays the cost of coverage for the healthcare benefits paid to qualified retirees under a Board resolution that can be amended by the Board. The Center has chosen to fund the healthcare benefits on a pay as you go basis.

The current Annual Required Contribution rate is 1.7% of annual covered payroll. For the current year, the Center contributed \$85,669 or 0.9% of annual covered payroll. The Center obtains healthcare coverage through a self-insured health insurance plan. The Center is not required to make contributions at a specified rate or percentage of covered payroll. The contributions made by retired employees, which includes contributions for dependent coverage was in the amount of \$50,638.

Summary of Significant Accounting Policies. Postemployment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Annual OPEB Cost and Net OPEB Obligation. The Center's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortized any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Center's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Center's net OPEB obligation for the healthcare benefits:

Annual required contribution	\$ 153,800
Interest on net OPEB obligation	4,402
Actuarial adjustment to annual required contribution	<u>(14,488)</u>
Annual OPEB cost (expense)	143,714
Contributions made	<u>85,669</u>
Increase (decrease) in net OPEB obligation	58,045
Net OPEB obligation, beginning of year	<u>110,041</u>
Net OPEB obligation, end of year	<u>\$ 168,086</u>

The Center's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009, 2010 and 2011 were as follows:

For Year Ended June 30	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 153,800	55%	\$ 69,300
2010	153,800	64%	110,041
2011	153,800	56%	168,086

Funded Status and Funding Progress. As of June 30, 2009, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$923,900. The covered payroll (annual payroll of active employees covered by the plan) was \$9,054,000, and the ratio of the UAAL to the covered payroll was 10.21 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**SMOKY MOUNTAIN CENTER FOR MENTAL
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Notes to Financial Statements (continued)

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term prospective of the calculations.

In the June 30, 2009 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 9.5 to 5.0 percent annually and a dental cost trend increase of 3 percent annually. Both rates include a 2.5 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a 5 year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2011, was 18 years.

Other Employment Benefits

The Center has elected to provide death benefits to employees through the Death Benefit Plan for Members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership in the System at the time of death are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The Center has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Because the benefit payments are made by the Death Benefit Plan and not by the Center, the Center does not determine the number of eligible participants. For the fiscal year ended June 30, 2011, the Center made contributions to the State for death benefits of \$4,051. The Center's required contributions for employees represented 0.08% of covered payroll. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

Lease Obligations – The Center leases its administration building in Sylva from the Evergreen Foundation (the "Foundation"), formerly Smoky Mountain Mental Health Development Foundation. See Note 7.

Compensated Absences – Changes in compensated absences for the fiscal year ended June 30, 2011, were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental activities:					
Compensated absences	\$ 349,883	\$ 120,101	\$ 78,332	\$ 391,652	\$ —

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Notes to Financial Statements (continued)

Inter-fund Balances and Activity – There were no amounts due to/from other funds at June 30, 2011.

Note 4 – Risk Management

At June 30, 2011, the Center was subject to various claims. While the ultimate effect of these claims is unknown, in the opinion of the Center's management, any potential liability not covered by insurance would not have a material adverse effect on the Center's financial position.

Property and Liability Insurance – The Center is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Center carries commercial insurance for general and professional liability of \$1 million per occurrence, subject to a limit of \$3 million; directors and officers' coverage, subject to a limit of \$1 million; personal property coverage at 90% of the total value, subject to a limit of \$1,507,955; liability and collision coverage for all owned autos subject to a liability limit of \$1,000,000; workers' compensation coverage, subject to a limit of \$1 million; and separate general and professional liability and directors and officers' liability coverage for former employees of the Foothills Area Program of \$1 million per occurrence, subject to a limit of \$3 million.

In accordance with G.S. 159-29, the Center's employees that have access to \$100 or more at any given time of the Center's funds are covered by a blanket employee dishonesty policy of \$100,000. The Center has secured fidelity bonds for the Chief Executive Officer and Finance Officer in the amount of \$250,000.

Health Insurance – The Center's health care plan is a self-funded program. It provides coverage to employees, covered dependents and eligible retirees. The Center purchases specific stop-loss coverage to limit its annual loss per person to \$70,000. The average number of covered employees and retirees is approximately 113. The cost charged to operations for health care coverage for the year ended June 30, 2011 was \$446,040.

Note 5 – Concentrations

Most of the Center's service activity is with clients located within Alexander, Alleghany, Ashe, Avery, Caldwell, Cherokee, Clay, Graham, Haywood, Jackson, Macon, McDowell, Swain, Watauga, and Wilkes counties of North Carolina. No credit risk is associated with this geographic concentration of consumers because the Center does not provide direct patient care.

The Center contracts with vendors within the service area to provide mental health, intellectual and developmental disabilities, and substance abuse services. For the year ended June 30, 2011, five vendors in the service area provided approximately 57% of these services.

Note 6 – 401(k) Plan

The Center has a voluntary defined contribution plan for employees working at least 50% of full-time. Under the provisions of the plan, the Center matches employee contributions up to 5% of employees' annual covered compensation. Employee contributions are up to the maximum allowed by the Internal Revenue Service. Plan expenditures totaled \$163,594 for the year ended June 30, 2011.

**SMOKY MOUNTAIN CENTER FOR MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Notes to Financial Statements (continued)

Note 7 – Leases

The Evergreen Foundation is a not-for-profit corporation formed to assist in the development of projects, undertakings, studies, and other activities in cooperation and in coordination with local governmental and civic bodies and other nonprofit corporations, foundations and associations for the purpose of promoting community mental health, developmental disability and substance abuse services of the highest possible quality within available resources to those persons working or residing in the State of North Carolina, and primarily for persons in the seven westernmost counties of the Center's catchment area. The governing Board is self-appointing; and is, therefore, not considered a component unit of the Center. The Foundation primarily holds the title to real estate used in the provision of mental health, intellectual and developmental disabilities, and substance abuse services. The Foundation issues separate financial statements. For the year ended June 30, 2011, the Center made lease payments to the Foundation in the amount of \$161,400.

The Center has lease commitments for the year ending June 30, 2012 as follows:

Evergreen Foundation	\$ 160,800
Barium Springs Home for Children	<u>2,400</u>
Total	<u>\$ 163,200</u>

Note 8 – Designations of Fund Balance

The Center has a revenue spending guideline for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, Federal funds, State funds, and local funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer may deviate from this policy if it is in the best interest of the Center.

Total fund balance	\$ 18,599,111
Less nonspendable prepaid items:	154,019
Less Restricted:	
Stabilization by state statute	3,490,726
Less commitments:	
Reserved for consumer services	4,024,443
Unemployment compensation	250,000
Annual leave payout – Smoky Mountain Center	325,000
Retention risk pool	500,000
Legal actions	294,906
Administrative offices	2,500,000
Medicaid waiver readiness	2,839,039
Less assigned to subsequent year's expenditures	<u>2,308,620</u>
Remaining fund balance	<u>\$ 1,912,358</u>

Required Supplemental Financial Data

This section contains additional information required by generally accepted accounting principles.

- Schedule of Funding Progress for Other Postemployment Benefits
- Schedule of Employer Contributions
- Notes to the Required Schedules

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Required Supplementary Information
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
6/30/2009	-	\$ 923,900	\$ 923,900	0.00%	\$ 9,054,000	10.21%

Schedule of Employer Contributions

Year ending June 30	Annual Required Contribution	Percentage Contributed
2009	153,800	55%
2010	153,800	64%
2011	153,800	56%

Notes to the Required Schedules

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	6/30/2009
Actuarial cost method	Projected unit credit
Amortization method	Level percent open
Remaining amortization period	18 years
Asset valuation method	N/A
Actuarial assumptions:	
Investment rate of return*	4.0%
Medical cost trend	9.5 - 5.0%

*Includes inflation at 2.50%

Compliance Section

Gould Killian CPA Group, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Smoky Mountain Center for Mental Health, Developmental Disabilities,
and Substance Abuse Services
Sylva, North Carolina

We have audited the basic financial statements of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services, as of and for the year ended June 30, 2011, and have issued our report thereon dated December 21, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services as of and for the year ended June 30, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the Center's internal control over financial reporting (internal control) as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*.

Board of Directors
Smoky Mountain Center for Mental Health, Developmental Disabilities,
and Substance Abuse Services

This report is intended solely for the information of the governing board and management and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gould Killian CPT Group, A.A.

Asheville, North Carolina
December 21, 2011

Gould Killian CPA Group, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 and the State Single Audit Implementation Act

Board of Directors
Smoky Mountain Center for Mental Health, Developmental Disabilities,
and Substance Abuse Services
Sylva, North Carolina

Compliance

We have audited the compliance of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Center's major federal programs for the year ended June 30, 2011. The Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's management. Our responsibility is to express an opinion on Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's compliance with those requirements.

In our opinion, Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and the State Single Audit Implementation Act, and which is described in the accompanying schedule of findings and questioned costs as item 11-1.

Board of Directors
 Smoky Mountain Center for Mental Health, Developmental Disabilities,
 and Substance Abuse Services

Internal Control Over Compliance

The management of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal over compliance, that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 11-1. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged in governance.

The Center's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Center's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the governing board and management and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gould Kellian CPA Group, P.A.

Asheville, North Carolina
 December 21, 2011

Gould Killian CPA Group, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Report on Compliance with Requirements Applicable to Each Major State Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 and the State Single Audit Implementation Act

Board of Directors
Smoky Mountain Center for Mental Health, Developmental Disabilities,
and Substance Abuse Services
Sylva, North Carolina

Compliance

We have audited the compliance of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major state programs for the year ended June 30, 2011. Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's management. Our responsibility is to express an opinion on Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's compliance with those requirements.

In our opinion, the Center complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act and which is described in the accompanying schedule of findings and questioned costs as item 11-1.

Board of Directors
Smoky Mountain Center for Mental Health, Developmental Disabilities,
and Substance Abuse Services

Internal Control Over Compliance

The management of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Service's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a State program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 11-1. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The Center's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Center's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information of the governing board and management and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gould Killian CPA Group, P.A.

Asheville, North Carolina
December 21, 2011

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND
SUBSTANCE ABUSE SERVICES**

**Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011**

	<u>CFDA Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
Federal Awards			
<u>U.S. Department of Housing & Urban Development</u>			
Shelter Plus Care	14.238	\$ 316,362	\$ -
Total U.S. Department of Housing & Urban Development		316,362	-
<u>U.S. Department of Health and Human Services</u>			
<u>Substance Abuse and Mental Health Service Administration</u>			
Passed-through the N.C. Dept. of Health and Human Services:			
Division of Mental Health, Developmental Disabilities and Substance Abuse Services:			
Substance Abuse and Mental Health Service Projects of Regional and National Significance	93.243	974,859	-
Block Grant for Community Mental Health Services -			
- Community Based Program - Mental Health	93.958	786,194	-
- Gero Teams	93.958	54,600	-
Social Service Block Grant			
- Community Based Programs Mental Health	93.667	117,026	-
- Community Based Programs Intellectual and Developmental Disabilities	93.667	666,952	-
Block Grant for Prevention and Treatment of Substance Abuse			
-Treatment Alternatives for Women	93.959	52,146	-
-Substance Abuse Training	93.959	1,793	-
-Substance Abuse - Substance Abuse Prevention	93.959	1,380,019	-
Total U.S. Department of Health and Human Services		4,033,589	-
Total Federal Awards and State Matches		4,349,951	-

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND
SUBSTANCE ABUSE SERVICES**

**Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011**

	<u>CFDA Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
State Awards			
N. C. Department of Health and Human Services			
Division of Mental Health, Developmental Disabilities and Substance Abuse Services:			
Systems Management Transition		-	7,242,715
Single Stream Line Funding		-	24,294,950
Multidisciplinary Evaluation		-	6,638
Crisis Services		-	1,155,000
Prior year IPRS refunds		-	(13,134)
Total Division of Mental Health, Developmental Disabilities and Substance Abuse Services:		-	32,686,169
 Total State awards		-	32,686,169
 Total federal and State awards		\$ 4,349,951	\$ 32,686,169

Note to the Schedule of Expenditures of Federal and State Awards:

¹ The schedule of expenditures of federal and state awards includes the federal and state grant activity of Smoky Mountain Center for Mental Health, Developmental Disabilities and Substance Abuse Services and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with requirements of State, Local Governments, and Not for Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used OMB Circular A-133, Audits of State, Local Governments, and Not for Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Federal and State awards which have been passed through to subrecipients:

Subrecipients Name	Program Name	Division Account	Federal Dollars	State Dollars
			\$	\$
Alexander County Health Department	Strategic Prevention Framework Grant	536974-1491-2252-8Z-2J Non-UCR	164,638	-
Appalachian Community Services	Facility Based Crisis	536998-1590-2220-00-2J Non-UCR Single Stream	-	1,241,115
Appalachian Community Services	Jail Program	536998-1590-2220-00-2J Non-UCR Single Stream	-	22,000
Appalachian Community Services	Mobile Crisis	536998-1590-2220-00-2J Non-UCR Single Stream	-	1,604,116
Appalachian Community Services	Walk-In Psychiatric	536998-1590-2220-00-2J Non-UCR Single Stream	-	1,520,195
Appalachian State University	Strategic Prevention Framework Grant	536974-1491-2252-8Z-2J Non-UCR	150,894	-
ARC of Haywood	One Time Financial Assistance	536998-1590-2220-00-2J Non-UCR Single Stream	-	43,000
Barium Springs Home for Children	First In Families	536998-1590-2220-00-2J Non-UCR Single Stream	-	130,000
Cherokee County Health Department	Strategic Prevention Framework Grant	536974-1491-2252-8Z-2J Non-UCR	199,029	-
Clay, Wilson and Associates	Juvenile Justice Services - Alexander Detention Center	536974-1491-2252-5U-2J Non-UCR Child SA	37,500	-
Freedom House of Mecklenburg	Child Meth Activities	536974-1291-2250-6Y-2J Non-UCR Child Meth	30,008	-
Freedom House of Mecklenburg	Substance Abuse Prevention	536915-1491-2252-XN-2J Non-UCR Child SA Prevention	64,374	-
Freedom House of Mecklenburg	Strategic Prevention Framework Grant	536974-1491-2252-8Z-2J Non-UCR	19,933	-
Meridian Behavioral Services, Inc.	Child Meth Activities	536974-1291-2250-6Y-2J Non-UCR Child Meth	3,000	-
Meridian Behavioral Services, Inc.	Jail Program	536998-1590-2220-00-2J Non-UCR Single Stream	-	48,000
Meridian Behavioral Services, Inc.	Juvenile Justice Services (Southern Region)	536998-1590-2220-00-2J Non-UCR Single Stream	-	179,705
Meridian Behavioral Services, Inc.	Juvenile Justice Services (Northern Region Coord)	536998-1590-2220-00-2J Non-UCR Single Stream	-	39,996
Meridian Behavioral Services, Inc.	Offender Services	536998-1590-2220-00-2J Non-UCR Single Stream	-	150,920
Meridian Behavioral Services, Inc.	Recovery Education Centers	536998-1590-2220-00-2J Non-UCR Single Stream	-	911,854
Mountain Projects	Child Meth Activities	536974-1291-2250-6Y-2J Non-UCR Child Meth	26,408	-
Mountain Projects	Substance Abuse Prevention	536915-1491-2252-XN-2J Non-UCR Child SA Prevention	18,000	-
Mountain Projects	Strategic Prevention Framework Grant	536974-1491-2252-8Z-2J Non-UCR	174,880	-
New River Service Authority	Drug Treatment Court	536998-1590-2220-00-2J Non-UCR Single Stream	-	43,873
New River Service Authority	Geriatric Community Capacity	536998-1590-2220-00-2J Non-UCR Single Stream	-	135,276
New River Service Authority	Geriatric Community Capacity	536975001-1291-2250-6Y-2J Non-UCR Adult - Gero Teams	27,300	-
New River Service Authority	Housing Coordination	536998-1590-2220-00-2J Non-UCR Single Stream	-	45,133
New River Service Authority	Juvenile Justice Services	536998-1590-2220-00-2J Non-UCR Single Stream	-	54,842
New River Service Authority	Mobile Crisis/Emergency	536998-1590-2220-00-2J Non-UCR Single Stream	-	1,690,747
New River Service Authority	Recovery Education Centers	536998-1590-2220-00-2J Non-UCR Single Stream	-	1,186,290
New River Service Authority	Meth Coordinator	536998-1590-2220-00-2J Non-UCR Single Stream	-	60,000
New River Service Authority	Meth Child Activities	536998-1590-2220-00-2J Non-UCR Single Stream	-	45,000
New River Service Authority	SA Intensive Outpatient (IOPT) - Meth	536998-1590-2220-00-2J Non-UCR Single Stream	-	298,267
New River Service Authority	SA Intensive Outpatient (IOPT) - Non Meth	536998-1590-2220-00-2J Non-UCR Single Stream	-	271,806
New River Service Authority	Walk-In/Psychiatric /Med Mgmt	536998-1590-2220-00-2J Non-UCR Single Stream	-	1,803,683
New River Service Authority	Work First	536975-1491-2252-5U-2J Non-UCR Adult SA	20,596	-
Pathways for the Future	First In Families	536998-1590-2220-00-2J Non-UCR Single Stream	-	59,275
RHA Health Service	Deaf Services Funding	536998-1590-2220-00-2J Non-UCR Single Stream	-	245,000
Rutherford-Polk-McDowell District Health	Strategic Prevention Framework Grant	536974-1491-2252-8Z-2J Non-UCR	178,521	-
Southwestern Child Development	Respite Vouchers	536998-1590-2220-00-2J Non-UCR Single Stream	-	25,559
Western Youth Network	Substance Abuse Prevention	536915-1491-2252-XN-2J Non-UCR Child SA Prevention	128,673	-
Western Youth Network	Strategic Prevention Framework Grant	536974-1491-2252-8Z-2J Non-UCR	47,985	-

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011**

II. Financial Statement Findings

None reported.

III. Federal Award Findings and Questioned Costs

Finding 11-1

Reporting

Criteria: N.C. G.S. 143C-6 requires that every non-State entity that receives, uses, or expends any State funds (including federal pass-through funds) is subject to certain reporting requirements outlined by the N.C. Administrative Code in Subchapter 3M – Uniform Administration of State Grants.

Condition: The Center did not outline the specific reporting requirements of non-state subgrantees within the contracts executed between the various parties contracted with financial assistance contracts, and therefore did not enforce and uphold their reporting responsibilities as the grantee.

Questioned Costs: None

Effect: The Center is in violation of N.C. G.S. 143C-6 and the N.C Administrative Code requirements.

Cause: The Center has not yet fully implemented a process or control to monitor reporting requirements outlined in the State sources mentioned above.

Recommendation: The Center should continue to monitor the applicable State guidance on the reporting requirements of non-State grantees and sub-grantees and implement the correct language in their financial assistance contracts to reflect the State statutes. The Center should also implement specific monitoring procedures in order to ensure that the sub-grantees are meeting all reporting requirements.

Current Status: The Center is in the process of implementing a formal process of determining the nature of all contracts, and upon the determination that a contract meets the requirements of a financial assistance contract, the Center will then add the required language to the contract.

IV. State Award Findings and Questioned Costs

See Finding 11-1 above.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

**CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2011**

II. Financial Statement Findings

None reported.

III. Federal Awards Findings and Questioned Costs

Finding: 11-1 Reporting

Name of Contact Person: Lisa D. Slusher, Finance Officer

Corrective Action: The Center contracted with its audit firm to provide training in April, 2011 to its finance, provider relations, and clinical staff regarding the determination of subrecipients and the related required monitoring and reporting. Prior to execution of a contract, the Center makes the financial assistance determination, and has written specific contract language to be included with all contracts that contain financial assistance arrangements. Providers have been informed of reporting requirements and are being monitored to ensure compliance. Contracts for FY 10/11 had already been executed when the FY 09/10 audit was completed. Therefore, contract language is only being revised for contracts drafted after the beginning of FY 10/11.

Proposed Completion Date: Immediately.

IV. State Award Findings and Questioned Costs

See finding 11-1 above.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES
AND SUBSTANCE ABUSE SERVICES**

**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011**

Finding 10-1: Reporting

Status: The Center is in the process of correcting this, however contracts signed during the first half of FY2010-2011 do not comply with this requirement because the Center was not aware of this finding until this period had already lapsed. New or renewed contracts contain the required language.

AGENDA ITEM 7:

**REQUEST TO APPOINT THE HOME & COMMUNITY CARE BLOCK GRANT
ADVISORY COMMITTEE AND LEAD AGENCY**

MANAGER'S COMMENTS:

Each year the Board is required to appoint a lead agency and advisory committee to make recommendations on how to best expend the County's allocation from the Home and Community Care Block Grant (H&CCBG) funds. These funds were previously established by the Older American's Act and are administered by the North Carolina Division of Aging.

Board action is requested to approve the Watauga County Project on Aging as the Lead Agency and the Advisory Board members as presented.



Watauga County Project on Aging

132 Poplar Grove Connector, Suite A • Boone, North Carolina 28607

Website: www.wataugacounty.org/aging angie.boitnotte@watgov.org

Telephone 828-265-8090 Fax 828-264-2060 TTY 1-800-735-2962 Voice 1-800-735-8262 or 711

MEMORANDUM

TO: Deron Geouque, County Manager

FROM: Angie Boitnotte, Director

DATE: January 30, 2012

SUBJ: Request for Board of Commissioners' Consideration: Appointment of the Home and Community Care Block Grant Advisory Committee and Lead Agency

Please accept the attached list as nominations for the Home and Community Care Block Grant Advisory Committee for FY 2013. I also recommend that the Watauga County Project on Aging be appointed as the Lead Agency.

**HOME AND COMMUNITY CARE BLOCK GRANT
ADVISORY COMMITTEE FY2013**

LEAD AGENCY

Angie Boitnotte, Director
132 Poplar Grove Connector, Suite A
Boone, NC 28607

Watauga County Project on Aging
265-8090
angie.boitnotte@watgov.org

ADVISORY COMMITTEE

NAME

REPRESENTING

Tim Futrelle
576 Queen St.
Boone, NC 28607

Watauga County Board of Commissioners
773-9455
tim.futrelle@watgov.org

Anita Davie, Director
Area Agency on Aging
468 New Market Blvd.
Boone, NC 28607

High Country Council of Governments
265-5434 ext. 122
adavie@regiond.org

Jim Atkinson, Director
132 Poplar Grove Connector, Suite C
Boone, NC 28607

Watauga County Department of Social Services
265-8100
jim.atkinson@watgov.org

Mike Birkmire, MS, CRC, Unit Manager
245 Winklers Creek Rd., Suite A
Boone, NC 28607

Independent Living
265-5396
mike.birkmire@dhhs.nc.gov

Linda Bretz, RN
PO Box 2528
Boone, NC 28607

ARHCS Home Health
266-1166
lbretz@apprhs.org

Murray Hawkinson, Watauga Clinical Site Director
132 Poplar Grove Connector, Suite B
Boone, NC 28607

Daymark Recovery Services
264-8759
mhawkinson@daymarkrecovery.org

Margie Mansure, Family & Consumer Ed. Agent
971 West King St.
Boone, NC 28607

Cooperative Extension
264-3061
margie_mansure@ncsu.edu

Christy Pruess, Northern Region Director
895 State Farm Rd., Suite 404
Boone, NC 28607

Smoky Mountain Center
263-5637
prueschr@smokymountaincenter.com

Pam Rush, Public Health Nurse
126 Poplar Grove Connector
Boone, NC 28607

Appalachian District Health Department
264-6635
prush@apphealth.com

Sara Shoemaker, Medical Social Worker
136 Furman Road, Suite 2
Boone, NC 28607

Hospice
265-3926
sshoemaker@hchealth.net

Pat Coley
P. O. Box 307
Blowing Rock, NC 28605

Senior Citizen (STHL Delegate)
295-3556
patcoley@bellsouth.net

Becky Council
236 Brookside Drive
Boone, NC 28607

Senior Citizen
262-1348

Gail Hawkinson
714 Queen St.
Boone, NC 28607

Senior Citizen
264-1774
hawkmg@boone.net

Dick Oehser
145 Buff Ridge Road
Boone, NC 28607

Senior Citizen
265-2732
dickoehser@charter.net

Bob Parker
P. O. Box 925
Blowing Rock, NC 28605

Senior Citizen
265-6390
bobcat.p@hotmail.com

Dr. Ed Rosenberg
220 Sorrento Forest Dr.
Blowing Rock, NC 28605

Senior Citizen (STHL Alternate)
262-6146 (w)
RosenbergE@appstate.edu

Dr. Milton "Bunk" Spann
920 Blairmont Dr.
Boone, NC 28607

Senior Citizen
264-4331
bunkspann@bellsouth.net

Betty Wyse
314 Meadowview Dr., Apt. 401
Boone, NC 28607

Senior Citizen
264-5482

AGENDA ITEM 8:

MOWING CONTRACT BID AWARD REQUEST

MANAGER'S COMMENTS:

Mr. Robert Marsh will present a contract renewal with Estate Maintenance to extend the current rate of \$77,000 for an additional two (2) year term. Estate Maintenance was awarded the lowest bid in 2009 for contract mowing. Over the past two and half years the service provided has been excellent with no complaints.

Staff recommends the Board approve the contract renewal for \$77,000 for an additional two (2) year period from July 1, 2012 and direct the County Attorney to draft the necessary changes to the contract.



WATAUGA COUNTY

MAINTENANCE DEPARTMENT

969 West King St., Boone, NC 28607 - Phone (828) 264-1430
Fax (828) 264-1473

TO: Deron Geouque, County Manager
FROM: Robert Marsh, Maintenance Director
SUBJECT: Mowing Contract
DATE: January 27, 2012

I received the Estate Maintenance proposal to extend their contract for an additional two years per the terms of the 2009 Contract. In their proposal, Estate Maintenance agrees to extend their services at the current contract price of \$77,000 for the services described in "Bid Form A," for an additional twenty-four months.

Estate Maintenance has provided excellent service for the past two and half years, therefore I recommend the County extend the agreement for an additional two years.

I have attached the Estate Maintenance January 26, 2012 Proposal, the July 1, 2009 Contract for Mowing Services and my April 1, 2009 Memorandum to the County Manager summarizing the bid results with a recommendation to hire the low bidder, Estate Maintenance Company.

Please review this issue and if you are in agreement I will forward the contract to the County Attorney for examination and to modify the document as necessary to reflect the two year extension.

Please call if you have questions.

Thank you.

Estate Maintenance Company

**PO Box 1418
Blowing Rock, NC 28605
828-264-7441**

January 26, 2012

**Mr. Robert Marsh
Watauga County Finance Office
814 West King Street
Boone, NC 28607**

Dear Mr. Marsh,

I would like to thank you and the county for giving me the opportunity to contract your mowing services for the last three years. I appreciate the relationship we have built and hope to continue your trust in us for these services. We are approaching the end of our three year mowing contractual agreement, but as noted in the agreement there is the opportunity to extend the contract for two additional years if so desired. I wish to express my intent to continue these services for at least the next two years, and provided a two year contract agreement is awarded, to provide these services at the price of the current contract. I appreciate you sharing with me the compliments you have received regarding our work and would appreciate you forwarding this information to the commissioners.

**Sincerely,
Darren Wallace**

CONTRACT FOR MOWING SERVICE

This agreement is made between Watauga County (Owner) and Estate Maintenance Company (Contractor). Both parties agree to the terms and conditions set forth below.

SCOPE OF CONTRACT

Contractor shall furnish all licensing, equipment, materials, labor and supervision as may be necessary to provide mowing services for Watauga County including mowing, trimming and litter removal at County facilities. The contractor shall provide these services at regular frequencies and service levels as follows:

LOCATION	AREA	MOWING FREQUENCY	HEIGHT	TRIMMING FREQUENCY	LEAF REMOVAL
Blowing Rock	1	A	2"	A	NO
Davant Field 245 Clark St.	2	B	2 1/2"	B	NO
Optimist Field 1012 State Farm Rd.	1	A	2"	A	NO
	2	B	2 1/2"	B	NO
	3	C	N/A	C	NO
Industrial Field Hunting Hills Ln.	1	A	2"	A	NO
	2	B	2 1/2"	B	NO
Anne Marie Field 283 Hunting Hills Ln	1	A	2"	A	NO
	2	B	2 1/2"	B	NO
	3	C	3 1/2"	C	YES
Complex Field 231 Complex Dr.	1	A	2"	A	NO
	2	B	2 1/2"	B	NO
Complex Swimming Pool 141 Complex Dr.	1	B	2 1/2"	B	YES
Courthouse Complex 842 W. King St.	1	B	2 1/2"	B	NO
West Annex 971 W. King St.	1	B	2 1/2"	B	NO
	2	D	N/A	D	NO
Human Services Ctr. 132 Poplar Grove Rd. Connector	1	B	2 1/2"	B	YES
	2	D	N/A	D	YES
Health Dept. 126 Poplar Grove Rd. Connector	1	B	2 1/2"	B	YES
	2	C	N/A	C	YES

Law Enf. Ctr. 184 Hodges Gap Rd.	1	B	3 ½"	B	YES
Library 140 Queen St.	1	B	2 ½"	B	YES
	2	D	N/A	D	YES
Howard's Knob 604 Howard's Knob Rd.	1	C	3 ½"	C	NO
Highway 105 Property 1231 Hwy. 105	1	D	3 ½"	D	NO
Animal Cont. 672 Landfill Rd.	1	B	2 ½"	B	NO
Brookshire Park 250 Brookshire Rd.	1	A	2"	A	NO
	2	C	N/A	C	NO
Ted Mackorell Soccer Complex 574 Brookshire Rd.	1	B	2 ½"	B	YES
	2	C	2 ½"	C	NO
	3	E	3 ½"	N/A	NO
Edmisten Property 464 Daniel Boone Dr	1	B	3 ½"	B	YES
Green Valley Pool 291 Big Hill Rd.	1	C	3 ½"	C	NO
Mtn. Ruritan Ballfield 1161 Hwy. 321 N, Vilas	1	A	2"	B	NO
	2	B	2 ½"	B	NO
Old Cove Creek School 207 Dale Adams Rd., Sugar Grove	1	A	2 ½"	B	NO
	2	B	2 ½"	B	NO
Western Watauga Comm. Center 1081 Old Hwy. 421 Sugar Grove	1	B	2 ½"	B	NO
Old CCC&TI 2887 Hwy. 421 N	1	C	2 ½"	C	YES
	2	E	3 ½"	E	NO
LEGEND	A	2 MOWINGS/WEEK			
	B	1 MOWING/WEEK			
	C	2 MOWING EVERY 10 DAYS			
	D	1 MOWING/MONTH			
	E	MOWING FOR HAY HARVESTING			

All clippings shall be removed from sidewalks, roads and mulch beds. Trimming shall be by mechanical or EPA approved herbicide methods.

CONTRACT TERM

The contract shall begin July 1, 2009 and continue for a period of thirty-six months. This contract may be renewed for an additional twenty-four months if mutually agreed upon by both parties.

CONTRACT SUM AND PAYMENTS TO CONTRACTOR

The total contract sum for annual service is not to exceed \$ 77,000 for services provided per "Bid Form A." Change Orders for additional work must be requested by the Contractor and approved by the County Manager or Deputy County Manager in writing prior to the commencement of the additional work. A "Weekly Mowing Log" shall be submitted weekly to the County Maintenance Director for the purpose of documenting the Contractor's progress. The Contractor's work may be inspected by the owner and if deemed satisfactory, the Contractor may submit for progress payment. The Contractor shall apply for payment prior to the tenth of each month. Applications for payment shall be calculated by the rates listed in "Bid Form A" adjusted appropriately to reflect the Contractor's progress. Payments by the County to the Contractor shall be disbursed following the twenty-fifth of the month in which application for payment was made.

LIABILITY AND INSURANCE

The contractor shall bear all risks and liabilities for any damage to property that may be caused during the performance of this contract. Contractor shall indemnify and hold harmless the County from any claims, suits, damages, court costs and attorney fees incurred or resulting from any action or assertion against the County as may result from any allegation of negligence or liability arising from acts or omissions of Contractor or Contractor's agents or employees. Contractor shall maintain a policy of general liability insurance with coverages and limits acceptable to the County. All equipment and personnel to be used by Contractor shall be the responsibility of the Contractor and such personnel shall not be deemed to be employees of the County. Contractor shall maintain

any and all workers' compensation coverage for Contractor's employees that the law requires.

Minimum limits of insurance shall be:

- General Liability – No less than \$1,000,000, with \$2,000,000 being the preferred limit per occurrence for bodily injury, personal injury and property damage. General aggregate limit shall apply separately to each project/location and limit shall not be less than the required occurrence limit.
- Auto Liability – No less than \$1,000,000 with \$2,000,000 being the preferred limit per occurrence combined single limit per accident per for bodily injury and property damage.
- Workers Compensation and Employers Liability – Workers Compensation as required by the State of North Carolina and Employers Liability limits of no less than \$1,000,000 for bodily injury per accident.
- Watauga County shall be listed as "Additional Insured" on each policy.

VERIFICATION OF COVERAGE

The Contractor shall furnish the County with certificates of insurance and with original endorsements. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and/or endorsements are to be provided to the County on standard form.

NON-PERFORMANCE

The County, at its sole discretion, may assess the contractor a 10% penalty for non-performance of contractual obligations. This penalty shall not limit the County from recovering damages caused by the Contractor's errors, omissions or negligence. Additionally, if the contractor fails to perform the work in accordance with the specifications contained within this agreement, then the County may perform work to maintain the County facilities in the schedule and standards contained within this

Contract. The Contractor shall reimburse the County for costs incurred by the County in exercising its right to perform the work pursuant to this contract.

TERMINATION

The Owner may terminate this contract at any time if the County, in its sole discretion, deems the Contractor's performance unsatisfactory. Additionally, the contract may be terminated if funding becomes unavailable.

MISCELLANEOUS

(a) Choice of Law and Forum. This contract shall be deemed made in Watauga County, North Carolina. This contract shall be governed by and construed in accordance with the law of North Carolina. The exclusive forum and venue for all actions arising out of this contract shall be the North Carolina General Court of Justice, in Watauga County. Such actions shall neither be commenced in nor removed to federal court. This subsection (a) shall not apply to subsequent actions to enforce a judgment entered in actions heard pursuant to this section.

(b) Waiver. No action or failure to act by the County shall constitute a waiver of any of its rights or remedies that arise out of this contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.

(c) Performance of Government Functions. Nothing contained in the contract shall be deemed or construed so as to in any way estop, limit, or impair the County from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

(d) Severability. If any provision of this contract shall be unenforceable, the remainder of this contract shall be enforceable to the extent permitted by law.

(e) Assignment. Successors and Assigns. Without the County's written consent, the Contractor shall not assign (which includes delegate) any of its rights (including the right to payment) or duties that arise out of this contract. The County Manager may consent to an assignment without action of the Board of Commissioners. Unless the County otherwise agrees in writing, the Contractor and all assignees shall be subject to all of the County's defenses and shall be liable for all of the Contractor's duties that arise out

of this contract and all of the County's claims that arise out of this contract. Without granting the Contractor the right to assign, it is agreed that the duties of the Contractor that arise out of this contract shall be binding upon it and its heirs, personal representatives, successors, and assigns.

(f) Compliance With Law. In performing all of the Work, the Contractor shall comply with all applicable law.

This the 8 day of April, 2009.

WATAUGA COUNTY

By: *Robert E. Nelson, Jr.*
Robert E. Nelson, Jr.

County Manager
Watauga County Admin. Bldg.
814 West King Street
Boone, NC 28607

By: *Paul W. Waller*

2260 AHO ROAD
BOONE NC 28607

4/08/09
Date

4-6-09
Date

This instrument has been
preaudited in the manner
required by the local
Government Budget and Fiscal
Control Act.

4/9/09 *Robin Arnes*
Date Finance Director

WATAUGA COUNTY MOWING BID FORM A

LOCATION	AREA	MOWING FREQUENCY	HEIGHT	TRIMMING FREQUENCY	LEAF REMOVAL	COST PER MOWING	ESTIMATED MOWINGS	TOTAL COST
BLOWING ROCK								
Blowing Rock Davant Field 245 Clark St.	1	A	2"	A	NO	50	58	\$2900.00 ⁰⁰ y
	2	B	2 1/2"	B	NO	25	33	\$825.00 ⁰⁰ y
BOONE AREA								
Optimist Field 1012 State Farm Rd.	1	A	2"	A	NO	45	58	\$2610.00 ⁰⁰ y
	2	B	2 1/2"	B	NO	30	33	\$990.00 ⁰⁰ y
	3	C	N/A	C	NO	30	23	\$690.00 ⁰⁰ y
Industrial Field Hunting Hills Ln.	1	A	2"	A	NO	75	58	4350.00 ⁰⁰ y
	2	B	2 1/2"	B	NO	45	33	1485.00 ⁰⁰ y
Anne Marie Field 283 Hunting Hills Ln	1	A	2"	A	NO	60	58	3480.00 ⁰⁰ y
	2	B	2 1/2"	B	NO	80	33	2640.00 ⁰⁰ y
	3	C	3 1/2"	C	YES	35	23	805.00 ⁰⁰ y
Complex Field 231 Complex Dr.	1	A	2"	A	NO	35	58	2030.00 ⁰⁰ y
	2	B	2 1/2"	B	NO	45	33	1485.00 ⁰⁰ y
Complex Swimming Pool 141 Complex Dr.	1	B	2 1/2"	B	YES	85	33	2805.00 ⁰⁰ y
Courthouse Complex 842 W. King St.	1	B	2 1/2"	B	NO	30	33	990.00 ⁰⁰ y
West Annex 971 W. King St.	1	B	2 1/2"	B	NO	30	33	990.00 ⁰⁰ y
	2	D	N/A	D	NO	30	5	100.00 ⁰⁰ y
Human Services Ctr. 132 Poplar Grove Rd. Connector	1	B	2 1/2"	B	YES	50	33	1650.00 ⁰⁰ y
	2	D	N/A	D	YES	95	5	475.00 ⁰⁰ y
Health Dept. 126 Poplar Grove Rd. Connector	1	B	2 1/2"	B	YES	30	33	990.00 ⁰⁰ y
	2	C	N/A	C	YES	30	23	690.00 ⁰⁰ y
Law Enforcement Ctr. 184 Hodges Gap Rd.	1	B	3 1/2"	B	YES	475	33	15675.00 ⁰⁰ y
Library 140 Queen St.	1	B	2 1/2"	B	YES	40	33	1320.00 ⁰⁰ y
	2	D	N/A	D	YES	30	5	150.00 ⁰⁰ y

LOCATION	AREA	MOWING FREQUENCY	HEIGHT	TRIMMING FREQUENCY	LEAF REMOVAL	COST PER MOWING	ESTIMATED MOWINGS	TOTAL COST	
Howard's Knob 604 Howard's Knob Rd.	1	C	3 1/2"	C	NO	45	23	1035. ⁰⁰ y	
Highway 105 Property 1231 Hwy. 105	1	D	3 1/2"	D	NO	0	5 2	0	
EAST									
Animal Cont. 672 Landfill Rd.	1	B	2 1/2"	B	NO	25	33	825. ⁰⁰ y	
Brookshire Park 250 Brookshire Rd.	1	A	2"	A	NO	75	58	4350. ⁰⁰ y	
	2	C	N/A	C	NO	100	23	2300. ⁰⁰ y	
Ted Mackorell Soccer Complex 574 Brookshire Rd.	1	B	2 1/2"	B	YES	N/A	33	N/A	
	2	C	2 1/2"	C	NO	125	23	2875. ⁰⁰ y	
	3	E	3 1/2"	N/A	NO	0	2	0	
Edmisten Property 464 Daniel Boone Dr	1	B	3 1/2"	B	YES	30	33	990. ⁰⁰ y	
Green Valley Pool 291 Big Hill Rd.	1	C	3 1/2"	C	NO	30	23	690. ⁰⁰ y	
WEST									
Mtn. Ruritan Ballfield 1161 Hwy. 321 N, Vilas	1	A	2"	B	NO	40	58	2320. ⁰⁰ y	
	2	B	2 1/2"	B	NO	35	33	1155. ⁰⁰ y	
Old Cove Creek School 207 Dale Adams Rd., Sugar Grove	1	A	2 1/2"	B	NO	75	58	4350. ⁰⁰ y	
	2	B	2 1/2"	B	NO	45	33	1485. ⁰⁰ y	
Western Watauga Comm. Center 1081 Old Hwy. 421 Sugar Grove	1	B	2 1/2"	B	NO	105	33	3465. ⁰⁰ y	
Old CCC&TI 2887 Hwy. 421 N	1	C	2 1/2"	C	YES	45	23	1035. ⁰⁰ y	
	2	E	3 1/2"	E	NO	0	2	0	
GRAND TOTAL									77,000. ⁰⁰ y

LEGEND	A	2 MOWINGS/WEEK		
	B	1 MOWING/WEEK		
	C	1 MOWING EVERY 10 DAYS		
	D	1 MOWING/MONTH		
	E	MOWING FOR HAY HARVESTING		

Company: Estate Maintenance Co. Inc.

Signature: Dave Wallace

Date: 3-12-09



WATAUGA COUNTY *Maintenance Department*

969 West King Street - Boone, North Carolina 28607 - (828) 264-1430
Fax (828) 264-1473
TTY ~~FDD~~ 1-800-735-2962
Voice 1-800-735-8262
or 711

MEMORANDUM

TO: Rocky Nelson, County Manager
FROM: Robert Marsh, Maintenance Director *RM*
SUBJECT: Mowing Bid
DATE: April 1, 2009

Bid awarded to Estate Maint @ the BCC Mtg 4/6/09

On March 12, 2009 I opened bids for the County Mowing Contract. This bid opening was advertised in the Watauga Democrat and Mountain Times newspapers. A pre-bid meeting was held and site visits were arranged for the prospective bidders. As many as 20 people or firms expressed interest in this project. However, only five vendors submitted bids. Listed below is a summary of the bid results.

Bid Summary

Estate Maintenance Blowing Rock, NC	\$ 77,000.00
Premier Landscaping & Maintenance Jefferson, NC	\$100,075.00
R.R.B. Caretaker Property Services Boone, NC	\$158,290.00
South Valley Nursery and Landscaping Services Newland, NC	\$ 85,930.00
Twin Oakes Landscaping Vilas, NC	\$137,748.80

I recommend that the County enter into an agreement with the low bidder, Estate Maintenance Company for contract mowing services. This is a three year with a two year renewal option contract that will begin July 1, 2009. I have met with Mr. Darren Wallace from Estate Maintenance and he is eager to begin providing services for the Country.

I have attached a contract that will need to be signed and pre-audited.

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AGENDA ITEM 9:

PLANNING AND INSPECTIONS MATTERS

A. Proposed Language Access Plan for CDBG Scattered Site Housing Project

MANAGER'S COMMENTS:

Mr. Joe Furman will request the Board adopt the required Language Access Plan to satisfy the requirements of the Community Investment and Assistance for the Community Development Block Grant (CDBG) program. The adoption of the plan is only for the ongoing CDBG Scattered Site Housing Program and failure to do so may result in CDBG funds being frozen. The Plan will expire upon close-out of the current program and require the adoption of a new plan upon acceptance of the next CDBG funding cycle anticipated for 2013.

Staff requests the Board approve the Language Access Plan as presented contingent upon County Attorney review.



North Carolina
Department of Commerce
Community Investment and Assistance

Beverly Eaves Perdue, Governor
J. Keith Crisco, Secretary

Henry C. McKoy, Assistant Secretary
Vickie Miller, Director

January 11, 2012

The Honorable Nathan A. Miller
 Chairperson Board of Commissioners
 Watauga County
 814 West King St. Suite 205
 Boone, NC 28607

Subject: Language Access Plan for Watauga County

Dear Chairperson Miller:

This letter serves as a reminder of the above referenced required compliance plan to satisfy the requirements of Community Investment and Assistance (CI) for the Community Development Block Grant (CDBG) program.

Title VI of the Civil Rights Act of 1964 prohibits discrimination based on the ground of race, color or national origin by any entity receiving federal financial assistance. The Language Access Plan is a tool that our grantees shall use to promote and support Compliance with Title VI.

Please provide the requested Language Access Plan at the earliest possible time and not later than February 17, 2012. Grants Management staff is unable to process grants to CPFA status until the requirement is met, and don't want the grantee in a position to have to process a closeout extension in order to meet the LAP requirement. The County shall submit a Language Access Plan using CI's template. This document needs to be adopted and signed by the chief elected official. The Language Access Plan is grantee specific and covers any active grants under the same grantee during the time the plan is effective. Once the plan is received by Compliance, it is recommended to update the plan every few years and if you receive a new grant, please mail a hardcopy to Compliance with a letter specifying which grant number will be covered under the received LAP with a copy of the plan for our records.

In the meantime, please maintain files and comprehensive documentation of all efforts assisting limited English proficient persons for reporting and monitoring purposes. The County shall report LEP needs to CI at the end of the calendar year as part of the Annual Performance Report (APR); CI will

North Carolina: The State of Minds

100 E. Six Forks Rd. • 4313 Mail Service Center • Raleigh, North Carolina 27699-4313

Tel: (919) 571-4900 • Fax: (919) 571-4951

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provide the report form. The templates and guidance for all compliance documents are found on CI's website at <http://www.nccommerce.com/communitydevelopment/investment-assistance/forms-resources/compliance-plans-and-templates> . If you have questions, please contact your Grant Representative or email Compliance at compliance@nccommerce.com.

Sincerely,



L. Marcela Vargas
Community Development Specialist
CI Compliance Section

Cc Michelle Ball, Grant Administrator
Deron Geoque, County Manager
Blair Chambers, Grant Representative

North Carolina: The State of Minds

100 E. Six Forks Rd. • 4313 Mail Service Center • Raleigh, North Carolina 27699-4313
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Language Access Plan

4-1

Watauga County
CDBG Scattered Site Housing Program #09-C-2010

The purpose of this Policy and Plan is to ensure compliance with Title VI of the Civil Rights Act of 1964, and other applicable federal and state laws and their implementing regulations with respect to persons with limited English proficiency (LEP). Title VI of the Civil Rights Act of 1964 prohibits discrimination based on the ground of race, color or national origin by any entity receiving federal financial assistance. Administrative methods or procedures, which have the effect of subjecting individuals to discrimination or defeating the objectives of these regulations, are prohibited.

In order to avoid discrimination on the grounds of national origin, all programs or activities administered by Watauga County must take adequate steps to ensure that their policies and procedures do not deny or have the effect of denying LEP individuals with equal access to benefits and services for which such persons qualify. This Policy defines the responsibilities the agency has to ensure LEP individuals can communicate effectively.

This policy and plan is effective February 7, 2012 until program close-out

I. Scope of Policy

These requirements will apply to Watauga County (**herein referred to as “the agency”**) including subcontractors, vendors, and sub-recipients.

The agency will ensure that LEP individuals are provided meaningful access to benefits and services provided through contractors or service providers receiving sub-grants from the agency.

II. Definitions

- A. CI: Community Investment and Assistance, North Carolina Department of Commerce
- B. Limited English Proficient (LEP) individual – Any prospective, potential, or actual recipient of benefits or services from the agency who cannot speak, read, write or understand the English language at a level that permits them to interact effectively with health care providers and social service agencies.
- C. Vital Documents – These forms include, but are not limited to, applications, consent forms, all compliance plans, bid documents, fair housing information, citizen participation plan, letters containing important information regarding

participation in a program; notices pertaining to the reduction, denial, or termination of services or benefits, including the right to appeal such actions, or that require a response from beneficiary notices advising LEP persons of the availability of free language assistance, LEP outreach materials, and any other documents determined by agency to be vital documents.

- D. Title VI Compliance Officer: The person or persons responsible for compliance with the Title VI LEP policies.
- E. Substantial number of LEP: 5% or 1,000 people, whichever is smaller, are potential applicants or recipients of the agency and speak a primary language other than English and have limited English proficiency.

III. Providing Notice to LEP Individuals

- A. The agency will take appropriate steps to inform all applicants, recipients, community organizations, and other interested persons, including those whose primary language is other than English, of the provisions of this policy. Such notification will also identify the name, office telephone number, and office address of the Title VI compliance officer(s).

List the current name, office telephone number and office address of the Title VI compliance officers:

Joe Furman

Watauga County Planning & Inspections Director

331 Queen Street, Suite A

Boone, NC 28607

(828) 265-8043

- B. The agency will post and maintain signs in regularly encountered languages other than English in waiting rooms, reception areas and other initial points of contact. These signs will inform applicants and beneficiaries of their right to free language assistance services and invite them to identify themselves as persons needing such services.

Signs will be posted in the County Administration Building and in the Planning & Inspections Department in the East Annex.

- C. The agency will include statements of the right to free language assistance in Spanish and other significant languages in all outreach material that is routinely disseminated to the public (including electronic text).

The agency will also disseminate information in the following manner:

Printed information will be made available at selected agency-owned buildings that explain the rights provided by this policy. In addition, the policy will be accessible on the agency's web site.

IV. Provision of Services to LEP Applicants/Recipients

A. Assessing Linguistic Needs of Potential Applicants and Recipients

1. The agency will assess the language needs of the population to be served, by identifying:
 - a. The language needs of each LEP applicant/recipient
 - b. The points of contact where language assistance is needed; and
 - c. The resources needed to provide effective language assistance including location, availability and arrangements necessary for timely use.

2. Determining the Language Needs of the Population to be Served

The agency is responsible for assessing the needs of the population to be served. Such assessment will include, but not be limited to the following:

- a. The non-English languages that are likely to be encountered in its program will be identified.
- b. An estimate of the number of people in the community for whom English is not the primary language used for communication will be completed and updated annually. To identify the languages and number of LEP individuals local entities should review:
 - i. census data
 - ii. school system data
 - iii. reports from federal, state, and local governments
 - iv. community agencies' information, and
 - v. data from client files
- c. The points of contact in the program or activity where language assistance is likely to be needed will be identified.

3. Determining the Language Needs of Each Applicant/Recipient

The agency will determine the language needs of each applicant/recipient. Such assessment will include, but not be limited to the following:

- a. At the first point of contact, each applicant/recipient will be assessed to determine the individual's primary language.

Check all methods that will be used:

- ✓ multi-language identification cards, a poster-size language list, or the use of "I speak" peel-off language identification cards for indicating preferred languages
 - ✓ English proficiency assessment tools, provided they can be administered in a manner that is sensitive to and respectful of individual dignity and privacy
- b. If the LEP person does not speak or read any of these languages, the agency will use a telephone interpreting service to identify the client's primary language.
 - c. Staff will not solely rely on their own assessment of the applicant or recipient's English proficiency in determining the need for an interpreter. If an individual requests an interpreter, an interpreter will be provided free of charge. A declaration of the client will be used to establish the client's primary language.
 - d. When staff place or receive a telephone call and cannot determine what language the other person on the line is speaking, a telephone interpreting service will be utilized in making the determination.
 - e. If any applicant/recipient is assessed as LEP, they will be informed of the availability of free language interpretative services. When there is a direct (face-to-face) contact with a person assessed as LEP and whose primary language is one of the ones identified in Section IV.C. below, a written notice of the availability of free language interpretative services will be provided.

B. Provision of Bilingual/Interpretive Services

1. The agency will ensure that effective bilingual/interpretive services are provided to serve the needs of the non-English speaking population. The provision of bilingual/interpretive services will be prompt without undue

delays. In most circumstances, this requires language services to be available during all operating hours.

This requirement will be met by:

Bilingual agency staff is available. If staff is not able to assist the Limited English Proficient person in a reasonable amount of time, a telephone interpreter service will be used.

2. The agency will provide language assistance at all level of interaction with LEP individuals, including telephone interactions.

Describe how this requirement will be met:

At the initial point of contact, it will be determined by the agency or administration staff if the LEP individual is proficient enough in English to request that translation services be provided. If the individual is able to request translation services, their contact information will be taken. Agency staff will contact the LEP individual and provide the required translation services. If neither administration staff nor agency staff is available to provide translation services in a reasonable amount of time, telephone translation service will be provided.

3. Interpreter Standards
 - a. Those providing bilingual/interpretive services will meet the linguistic and cultural competency standards set forth below. The agency will ensure that interpreters and self-identified bilingual staff, have first been screened to ensure that the following standards are met before being used for interpreter services:
 - i. Can fluently and effectively communicate in both English and the primary language of the LEP individual
 - ii. Can accurately and impartially interpret to and from such languages and English
 - iii. Has a basic knowledge of specialized terms and concepts used frequently in the provision of the agency's services
 - iv. Demonstrates cultural competency
 - v. Understands the obligation to maintain confidentiality
 - vi. Understands the roles of interpreters and the ethics associated with being an interpreter

The agency will ensure that all bilingual interpreters have a basic understanding of the CDBG program, understand the need for confidentiality and cultural competency, and will provide an CDBG administrative staff person to accompany the interpreter to

provide more detailed explanations of the CDBG program and requirements should the need arise.

- b. When staff members have reason to believe that an interpreter is not qualified or properly trained to serve as an interpreter, the agency will utilize a language service.

4. Using Family Members or Friends as Interpreters

- a. The agency will first inform an LEP person, in the primary language of the LEP person, of the right to free interpreter services and the potential problems for ineffective communication. If the LEP person declines such services and requests the use of a family member or friend, the agency may utilize the family member or friend to interpret only if the use of such person would not compromise the effectiveness of services or violate the LEP person's confidentiality. The agency will monitor these interactions and again offer interpreter services, if it appears there are problems with this arrangement.
- b. The agency will indicate in the LEP individual's file that an offer of interpreter services was made and rejected; that the individual was informed of potential problems associated with using friends or family members and the name of the person serving as an interpreter at the LEP individual's request.
- c. Only under extenuating circumstances shall the agency allow a minor (under the age of 18 years) to temporarily act as an interpreter. The agency will keep a written record of when it has used a minor as an interpreter, and this information will be shared with the CI upon request.

- 5. The agency will *not* require the applicant/recipient to pay for bilingual/interpretive services.

C. Provision of Written Translations

- 1. The agency must provide written materials in languages other than English where a substantial number or percentage of the population eligible to be served or likely to be directly affected by the program needs services or information in a language other than English to communicate effectively.

2. Translation of Vital Documents

- a. The agency will ensure that vital documents for locally designed programs are translated at minimum into Spanish.
- b. When CI forms and other written material contain spaces in which the local entity is to insert information, this inserted information will also be in the individual's primary language. When such forms are completed by applicants/recipients in their primary language, the information must be accepted.
- c. If, as a result of the local language assessment, it appears there are a substantial number of potential applicants or recipients of the agency (defined as 5% or 1,000 people whichever is less) who are LEP and speak a language other than Spanish, the agency will translate and provide vital documents in the appropriate language.
- d. The agency will keep a record of all vital documents translated, and will submit this information to *CI at their request*.

3. If the primary language of an LEP applicant or recipient is a language other than Spanish and the language does not meet the threshold for translation as defined in the preceding paragraph, the LEP individual who requests a translation will be informed in their own language of the right to oral translation of written notices. The notification will include, in the primary language of the applicant/recipient, the following language:

IMPORTANT: IF YOU NEED HELP IN READING THIS, ASK THE AGENCY FOR AN INTERPRETER TO HELP. AN INTERPRETER IS AVAILABLE FREE OF CHARGE.

D. Documentation of Applicant/Recipient Case Records

1. The agency will maintain case record documentation in sufficient detail to permit a reviewer to determine the agency's compliance with this policy.
2. The agency will ensure that case record documentation, including computerized records if appropriate, identifies the applicants/recipient's ethnic origin and primary language. In those cases where the applicant/recipient is non-English speaking, the agency will:
 - a. Document the individual's acceptance or refusal of forms or other written materials offered in the individual's primary language.
 - b. Document the method used to provide bilingual services, e.g., assigned worker is bilingual, other bilingual employee acted as

interpreter, volunteer interpreter was used, or client provided interpreter. When a minor is used as interpreter, the agency will document the circumstances requiring temporary use of a minor and will provide this information to CI upon request.

3. Consent for the release of information will be obtained from applicants/recipients when individuals other than agency employees are used as interpreters and the case record will be so documented.

E. Staff Development and Training

1. The agency will provide staff training at new employee orientation and continuing training programs. The training will include, but not be limited to:
 - a. Language assistance policies and procedures, resources available to support such procedures, methods of effective use of interpreters, and familiarization with the discrimination complaint process.
 - b. Cultural awareness information, including specific cultural characteristics of the groups served by the agency to provide a better understanding of, and sensitivity to, the various cultural groups to ensure equal delivery of services.
2. The agency will provide or ensure training is provided for bilingual staff and interpreters employed or utilized by the agency. This includes the ethics of interpreting, including confidentiality; methods of interpreting; orientation to the organization; specialized terminology used by the agency; and cultural competency.
3. The agency will ensure that applicable grantees, contractors, cooperative agreement recipients and other entities receiving state or federal dollars are trained in the requirements of this policy.

Consultants hired by the agency to provide CDBG grant administration will be made aware of, and will be required to attend any training required by CI concerning this policy. Consultants will then be required to insure compliance with this policy with any engineers or contractors procured to complete CDBG activities.

4. The agency will collect and maintain the following information about training provided to staff: the date(s) of such training, the content of such training, the number and types of credit hours awarded; and the names and identifying information of each attendee at the training. The agency will

ensure that grantees, contractors, cooperative agreement recipients and other applicable funded entities collect and maintain such information as well.

V. Compliance Procedures, Reporting and Monitoring

A. Reporting

1. The agency will complete an annual compliance report and send this report to CI.

B. Monitoring

1. The agency will complete a self-monitoring report on a quarterly basis, using a standardized reporting system providing by the CI. These reports will be maintained and stored by the Title VI compliance officer and will be provided to the CI upon request.
2. The agency will cooperate, when requested, with special review by the CI.

VI. Applicant/Recipient Complaints of Discriminatory Treatment

A. Complaints

1. The agency will provide assistance to LEP individuals who do not speak or write in English if they indicate that they would like to file a complaint. A complaint will be filed in writing, contain the name and address of the person filing it or his/her designee and briefly describe the alleged violation of this policy.
2. The agency will maintain records of any complaints filed, the date of filing, actions taken and resolution.
3. The agency will notify the appropriate agency or Division within CI of complaints filed the date of filing, actions taken and resolution. This information will be provided within 30 days of resolution.

B. Investigation

1. The CI Compliance Office will conduct an investigation of the allegations of the complaint. The investigation will afford all interested persons and their representatives, if any, an opportunity to submit evidence relevant to the complaint.
2. The investigation will not exceed 30 days, absent a 15-day extension for extenuating circumstances.

C. Resolution of Matters

1. If the investigation indicates a failure to comply with the Act, the local unit of government, agency Director or his/her designee will so inform the recipient and the matter will be resolved by informal means whenever possible within 60 days.
2. If the matter cannot be resolved by informal means, then the individual will be informed of his or her right to appeal further to the Department of Justice. This notice will be provided in the primary language of the individual with Limited English Proficiency.
3. If not resolved by CI, then complaint will be forwarded to DOJ, HUD Field Office.

Adopted this _____ day of _____, 20__.

_____ (*Chief Elected Official*)

ATTEST: _____ (*Clerk*)

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AGENDA ITEM 9:

PLANNING AND INSPECTIONS MATTERS

B. Proposed 2012 Hazardous Materials Emergency Planning Grant Agreement

MANAGER'S COMMENTS:

Mr. Furman will present a request to accept a Hazardous Materials Emergency Planning Grant in the amount of \$5,000. The grant requires no County match. The scenario will be an accident at an ASU lab with the release of hazardous materials. The table-top exercise is proposed to be conducted on 2/22/2012 and the full scale exercise to occur 3/30/2012.

Board approval is required to accept the planning grant and proceed with the exercise.

January 13, 2012

Dear Mr. Sudderth:

Enclosed you will find the Hazardous Materials Emergency Planning Grant Agreement between the North Carolina Emergency Response Commission and Watauga County for the amount of \$5,000. Please supply the nine signatures required and return to:

Disaster Recovery Operations Center
Attn: Steve Yount
1830-B Tillery Place
Raleigh, NC 27604

Thanks,



Steve Yount
Central Branch Grants Manager
North Carolina Emergency Management
Homeland Security Branch
1830-B Tillery Place
Raleigh, NC 27604
(919) 715-8000 Ext: 318
Fax: (919) 715-0848

HAZARDOUS MATERIALS EMERGENCY PLANNING GRANT AGREEMENT

THIS HAZARDOUS MATERIALS EMERGENCY PLANNING GRANT AGREEMENT (the Agreement) is entered into by and between the State of North Carolina, Department of Public Safety, Division of Emergency Management, North Carolina Emergency Response Commission (hereinafter referred to as the AGENCY/GRANTEE), and the County of **Watauga** hereinafter referred to as the "RECIPIENT/SUBGRANTEE").

WHEREAS, the Hazardous Materials Transportation Act, 42 U.S.C. §5101 et. seq. authorizes the Secretary of the U.S. Department of Transportation (USDOT) to make hazardous materials emergency planning grants to states and Indian tribes if the state agrees to make available at least 75% of the amount of the grant in the fiscal year to local emergency planning committees to develop emergency plans under the Emergency Planning Community Right-To-Know Act (EPCRA), 42 U.S.C. §11001 et. seq.; and

WHEREAS, the USDOT has made available federal funds for hazardous materials emergency planning grants; and

WHEREAS, the RECIPIENT/SUBGRANTEE represents that it is fully qualified, possesses the requisite skills, knowledge, qualifications and experience to provide the services identified herein, and does agree to perform as described herein; and

NOW, THEREFORE, the AGENCY/GRANTEE and the RECIPIENT/SUBGRANTEE do mutually agree as follows:

- (1) **SCOPE OF WORK** The RECIPIENT/SUBGRANTEE shall fully perform the approved hazardous materials emergency planning project, as described in Attachment A to this Agreement, in accordance with the approved scope of work indicated therein, the estimate of costs indicated therein, the allocation of funds indicated therein, and the terms and conditions of this Agreement. RECIPIENT/SUBGRANTEE shall not deviate from the approved project and the terms and conditions of this Agreement without prior approval of the AGENCY/GRANTEE.
- (2) **FUNDING** The AGENCY/GRANTEE shall provide Hazardous Materials Emergency Planning Grant Funds for costs incurred in performing the project identified in Attachment A as follows: **\$5,000.00**. Allowable costs shall be determined in accordance with the Hazardous Materials Transportation Act, 42 U.S.C. 5101 et. seq., 49 C.F.R. Part 110, 49 C.F.R. Part 18, OMB Circular A-87 "Cost Principles for State, Local and Indian Tribal Governments" and other applicable Hazardous Materials Emergency Planning Grant Program guidance.
- (3) **INCORPORATION OF LAWS, RULES, REGULATIONS AND POLICIES** Both the RECIPIENT/SUBGRANTEE and the AGENCY/GRANTEE shall be governed by applicable State and Federal laws, rules and regulations, including but not limited to, those identified in Attachments B, C & D.
- (4) **PERIOD OF AGREEMENT** This Agreement becomes effective upon execution of the signatures of all parties of the agreement. The date of execution shall be the date of the last signature. The termination date is **September 30, 2012**, unless terminated earlier in accordance with the provisions of paragraphs (6), (8), (10), (11), (13) or (17).
- (5) **MODIFICATION OF CONTRACT** Either party may request modification of the provisions of this Agreement. Changes which are mutually agreed upon shall be valid only when reduced in writing, duly signed by each of the parties hereto, and attached in the original of this Agreement.
- (6) **RECORD KEEPING, PROCUREMENT AND PROPERTY MANAGEMENT** RECIPIENT/SUBGRANTEE's performance under this Agreement shall be subject to 49 C.F.R. Part 18, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" and/or OMB Circular No. A-87, "Cost Principles for State and Local Governments," and/or OMB Circular No. A-102 "Grants and Cooperative Agreements with State and Local Governments". Pursuant to 49 C.F.R. §18.42, the RECIPIENT/SUBGRANTEE, its employees or agents, including all subcontractors or consultants to be paid from funds provided under this Agreement, shall allow access to its

records to the AGENCY/GRANTEE, awarding agency (USDOT) and the Comptroller General of the United States or any authorized representatives, employees, and agents thereof.

- (7) **REPORTS** The RECIPIENT/SUBGRANTEE shall provide reports or information to the AGENCY/GRANTEE. Report(s), as described in Attachment A to this Agreement, which are due ninety (90) days from completion of the plan, exercise, or study. Reports shall include the current LEPC membership roster, a copy of the most recent LEPC meeting minutes and agenda and LEPC by-laws. The AGENCY/GRANTEE may require additional reports as needed. The RECIPIENT/ SUBGRANTEE shall, as soon as possible, provide any additional reports requested by the AGENCY/GRANTEE. The AGENCY/GRANTEE contact will be the Division of Emergency Management EPCRA Program Coordinator for all reports. If all required reports and copies are not sent to the AGENCY/GRANTEE or are not completed in a manner acceptable to the AGENCY/GRANTEE, the AGENCY/GRANTEE may withhold payment until they are completed or may take such other action as set forth in paragraph (10). The AGENCY/GRANTEE may terminate the Agreement with a RECIPIENT/SUBGRANTEE if reports are not received within thirty (30) days after written notice by the AGENCY/GRANTEE. "Acceptable to the AGENCY/GRANTEE" means that the work product was completed in accordance with generally accepted principles and is consistent with the Budget and Scope of Work, Attachment A. Upon request by the AGENCY/GRANTEE, the RECIPIENT/ SUBGRANTEE shall provide such additional updates or information as may be required by the AGENCY/GRANTEE.
- (8) **MONITORING** The RECIPIENT/SUBGRANTEE shall constantly monitor its performance under this Agreement to ensure that time schedules are being met, the Budget and Scope of Work is being accomplished within specified time periods, and other performance goals are being achieved. Such review shall be made for each function, or activity set forth in Attachment A to this Agreement and incorporated by reference herein.
- (9) **LIABILITY** (a) Except as otherwise provided in subparagraph (b) below, the RECIPIENT/ SUBGRANTEE shall be solely responsible to parties with whom it shall deal in carrying out the terms of this agreement, and shall save the AGENCY/GRANTEE harmless against all claims of whatever nature by third parties arising out of the performance of work under this agreement. For purposes of this agreement, RECIPIENT/SUBGRANTEE agrees that it is not an employee or agent of the AGENCY/GRANTEE, but is an independent contractor. (b) Any RECIPIENT/ SUBGRANTEE who is a state agency or subdivision, agrees to be fully responsible for its own negligent acts or omissions or tortuous acts. Nothing herein is intended to serve as a waiver of sovereign immunity by any RECIPIENT/SUBGRANTEE to which sovereign immunity applies. Nothing herein shall be construed as consent by a state agency or subdivision of the State of North Carolina to be sued by third parties in any matter arising out of any contract.
- (10) **TERMINATION** If, through any cause, the RECIPIENT/SUBGRANTEE shall fail to fulfill in a timely and proper manner the obligations under this Agreement, the AGENCY/GRANTEE shall thereupon have the right to terminate this Agreement by giving written notice to the RECIPIENT/SUBGRANTEE of such termination and specifying the effective date thereof, at least ten (10) days before the effective date of termination.
- (11) **NOTICE AND CONTACT** All notices provided under or pursuant to this Agreement shall be in writing, first class, certified mail, return receipt requested, to the representative identified below and said notification attached to the original of this Agreement. (a) The name and address of the AGENCY/GRANTEE project manager and project coordinator for this Agreement are:

Doug Hoell, Director, Project Manager
Elaine Wathen, Support Services Manager, Project Coordinator
NC Department of Public Safety
Division of Emergency Management
1636 Gold Star Drive
Raleigh, N.C. 27607

- (b) The name and address of the Representative of the RECIPIENT/ SUBGRANTEE responsible for the administration of this Agreement is:

Mailing Address:

Name: Stephen Sudderth
 Title: Watauga County Emergency Management
 County of: Watauga
 Address: 184 Hodges Gap Road. Box D
 City: Boone, NC 28607


- (c) In the event that different representatives are designated by either party after execution of this Agreement, notice of the name, title and address of the new representative will be rendered as provided (11) above.
- (12) **OTHER PROVISIONS** The validity of this Agreement is subject to the truth and accuracy of all the information, representations, and materials submitted or provided by the RECIPIENT/SUBGRANTEE, in the Application, in any subsequent submission or response to the AGENCY/GRANTEE request, or any submission or response to fulfill the requirements of this Agreement, and such information, representations, and materials are incorporated by reference. The lack of accuracy thereof or any material changes shall, at the option of the AGENCY/GRANTEE and with thirty (30) days written notice to the RECIPIENT/SUBGRANTEE, cause the termination of this Agreement and the release of the AGENCY/GRANTEE from all its obligations to the RECIPIENT/SUBGRANTEE. This Agreement shall be construed under the laws of the State of North Carolina and the venue for any actions arising out of this Agreement shall be filed in State Court in Wake County, North Carolina. If any provision hereof is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and void to the extent of such conflict, and shall be deemed severable, but shall not invalidate any other provision of this Agreement.
- (13) **AUDIT REQUIREMENTS** Pursuant to 49 C.F.R. §18.26, RECIPIENT/SUBGRANTEE is responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996, 31 U.S.C. §7501 et. seq., 49 C.F.R. Part 18, OMB Circular A-133, "Audits of States, Local Governments, and Non-profit Organizations," and applicable North Carolina laws, rules and regulations. The RECIPIENT/ SUBGRANTEE agrees to maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure of funds under this Agreement and in accordance with 49 C.F.R. §18.20. In the event the audit shows that the entire funds disbursed hereunder, or any portion thereof, were not spent in accordance with the conditions of this Agreement, the RECIPIENT/SUBGRANTEE shall be held liable for reimbursement to the AGENCY/GRANTEE of all funds not spent in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the AGENCY/GRANTEE has notified the RECIPIENT/ SUBGRANTEE of such non-compliance. Pursuant to 49 C.F.R. §18.42, the RECIPIENT/SUBGRANTEE shall retain all financial records, supporting documents, statistical records, and any other documents pertinent to this contract for a period of three years from the starting date specified in 49 C.F.R. §18.42(c). However, if any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the 3-year period, the records must be maintained until completion of the action and resolution of all issues which arise from it, or until the end of the regular 3-year period, whichever is later.
- (14) **SUBCONTRACTS** If the RECIPIENT/SUBGRANTEE subcontracts any or all of the work required under this Agreement, the RECIPIENT/SUBGRANTEE agrees to include in the subcontract that the subcontractor is bound by the terms and conditions of this Agreement with the AGENCY/GRANTEE. If the RECIPIENT/SUBGRANTEE subcontracts any or all of the work required under this Agreement, the RECIPIENT/SUBGRANTEE shall conduct procurement or subcontracting in accordance with 49 C.F.R. §18.36 "Procurement". The RECIPIENT/ SUBGRANTEE agrees to include in the subcontract that the subcontractor shall hold the AGENCY/GRANTEE and RECIPIENT/ SUBGRANTEE harmless against all claims of whatever nature arising out of the subcontractor's performance of work under this Agreement, to the extent allowed and required by law. If the RECIPIENT/SUBGRANTEE subcontracts, a copy of the executed subcontract must be forwarded to the AGENCY/GRANTEE within ten (10) days of execution of said subcontract. Contractual arrangement shall in no way relieve the RECIPIENT/ SUBGRANTEE of its responsibilities to ensure that all funds issued pursuant to this grant be administered in accordance with all state and federal requirements.

- (15) **CHANGES, REAL PROPERTY, EQUIPMENT, SUPPLIES AND COPYRIGHTS** If applicable, changes, real property, equipment, supplies and copyrights will be administered in accordance with 49 C.F.R. Part 18. (See 49 C.F.R.  18.30-18.34).
- (16) **TERMS AND CONDITIONS** This Agreement and any exhibits and amendments annexed hereto and any documents incorporated specifically by reference represents the entire Agreement between the parties and supersedes all prior oral and written statements or agreements.
- (17) **STANDARD CONDITIONS** The RECIPIENT/SUBGRANTEE agrees to be bound by the following standard conditions: (a) If otherwise allowed under this Agreement, extension of an agreement for contractual services shall be in writing and shall be subject to the same terms and conditions set forth in the initial agreement. There shall be only one extension of the agreement unless the failure to meet the criteria set forth in the agreement for completion of the agreement is due to events beyond the control of the RECIPIENT/SUBGRANTEE. (b) The AGENCY/GRANTEE reserves the right to unilaterally cancel this Agreement for refusal by the RECIPIENT/SUBGRANTEE to allow public access to all documents, papers, letters or other material subject to the provisions of the N.C. General Statutes or applicable federal regulations and made or received by the Contractor/RECIPIENT/ SUBGRANTEE in conjunction with the Agreement.
- (18) **ATTACHMENTS** (a) All attachments to this Agreement are incorporated as if set out fully herein. (b) In the event of any inconsistency or conflict between the language of this Agreement and the attachments hereto, the language of such attachments shall be controlling, but only to the extent of such conflict or inconsistency. (c) This Agreement has the following attachments:
- | | | |
|----|--------------|---|
| 1. | Attachment A | Budget and Scope of Work |
| 2. | Attachment B | Lobbying Prohibition/Certification |
| 3. | Attachment C | Special Conditions |
| 4. | Attachment D | Assurance of Compliance with Title VI of the Civil Rights Act of 1964 by the Sub grantee |
| 5. | Attachment E | Assurance of Compliance with Title VI of the Civil Rights Act of 1964 by the Contractor |
| 6. | Attachment F | Assurance of Compliance with Title VI of the Civil Rights Act of 1964 for inclusion in deeds, licenses, permits, etc. |
| 7. | Attachment G | Assurance of Compliance with Privacy Act |
| 8. | Attachment H | Certification regarding Drug-Free Workplace Requirements |
| 9. | Attachment I | Certification regarding Debarment, Suspension, and other responsibility matters |
- (19) **FUNDING/CONSIDERATION** (a) Pursuant to 49 C.F.R.  18.21, the RECIPIENT/SUBGRANTEE shall be paid upon completion of the project and upon the satisfactory performance of work hereunder in an amount as determined in the approved Project Budget, attached as Attachment A, subject to the availability of funds. (b) An invoice detailing the project expenditures shall be submitted to the individual identified in Attachment C prior to **September 15, 2012**.
- (20) **STATE LOBBYING PROHIBITION** No funds or other resources received from the AGENCY/GRANTEE in connection with this Agreement may be used directly or indirectly to influence legislation or any other official action by the N.C. General Assembly or any state department. Refer to Attachment B for additional terms and provisions relating to lobbying.

- (21) **LEGAL AUTHORIZATION** The RECIPIENT/SUBGRANTEE certifies with respect to this Agreement that it possesses the legal authority to receive the funds to be provided under this Agreement and that, if applicable, its governing body has authorized, by resolution or otherwise, the execution and acceptance of this Agreement with all covenants and assurances contained herein. The RECIPIENT/SUBGRANTEE also certifies that the undersigned possesses the authority to legally execute and bind RECIPIENT/ SUBGRANTEE to the terms of this Agreement.
- (22) **ASSURANCES** By execution of this agreement, the RECIPIENT/SUBGRANTEE agrees to comply with Attachments A through I. The RECIPIENT/SUBGRANTEE hereby assures and certifies that: (a) It possesses legal authority to enter into this agreement, and to execute the proposed program. (b) If required, its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the filing of the HMEP application, including all understandings and assurances contained therein, and directing and authorizing the RECIPIENT/SUBGRANTEE's chief executive officer to act in connection with the application and to provide such additional information as may be required. (c) No member of or delegate to the Congress of the United States, and no Resident Commissioner, shall be admitted to any share or part of this agreement or to any benefit to arise from the same. No member, officer, or employee of the RECIPIENT/SUBGRANTEE, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any interest direct or indirect, in any contract or program assisted under this agreement. **The RECIPIENT/SUBGRANTEE shall incorporate or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes stated above.**
- (23) **SPECIAL CONDITIONS** (a) The RECIPIENT/SUBGRANTEE shall comply with the special conditions set forth in Attachment C, attached hereto and incorporated by this reference. (b) Failure of the RECIPIENT/SUBGRANTEE to comply with the special conditions listed in Attachment C or the program statutes and regulations in Paragraph 24 of this Agreement shall be cause for the immediate suspension of payments or the immediate termination of this Agreement. (c) RECIPIENT/SUBGRANTEE shall do or complete the following: 1) Conduct a meeting of the Local Emergency Planning Committee (LEPC) at least once per year, elect LEPC chairperson and establish LEPC subcommittees; 2) Provide a statement indicating review of LEPC bylaws.
- (24) **PROGRAM STATUTES AND REGULATIONS** This Agreement, the North Carolina Legislature and the Hazardous Materials Emergency Planning Grant Program (HMEP) are governed by the following statutes and regulations: (1) The Hazardous Materials Transportation Act, as amended, 42 U.S.C. §5101 et seq.; (2) 49 C.F.R. parts 18 and 110, and any other applicable policy memoranda and guidance documents; (3) Emergency Planning Community Right-To-Know Act (EPCRA), 42 U.S.C. §11001 et. seq.; (4) OMB Circulars A-87 and A-110; (5) The Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §5121 et. seq.; (6) Where applicable, it will comply with Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. 327 et seq., Federal Fair Labor Standards Act, 29 U.S.C. Section 201 et seq., Davis-Bacon Act, 40 U.S.C. §276a to 276a-7, Sections 306 and 508 of the Clean Air Act, 42 U.S.C. §1857(h) and §1368, Executive Order 11738, the Americans With Disabilities Act , 42 U.S.C. §12001 et seq., the Anti-kickback (Copeland) Act of 1934, 18 U.S.C. Section 874 and 40 U.S.C. Section 276a, which outlaws and prescribes penalties for "kickbacks" of wages in federally financed or assisted construction activities, the Hatch Act, which limits the political activity of employees, the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 as amended Pub. L. 93-234, 87 Section 975, approved December 31, 1973. Section 103(a) required, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area, that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance, applicable N.C. General Statutes when negotiating contracts for services and the Energy Policy and Conservation Act (P.L. 94-163).

IN WITNESS WHEREOF, the AGENCY/GRANTEE and the RECIPIENT/SUBGRANTEE have each executed this Agreement, this the _____ day of _____, 2012.

CONTRACTING AGENCY
DIVISION OF EMERGENCY MANAGEMENT
DEPARTMENT OF PUBLIC SAFETY & NORTH
CAROLINA EMERGENCY RESPONSE COMMISSION

BY: 
CASANDRA G. WHITE, GENERAL COUNSEL
DEPARTMENT OF PUBLIC SAFETY

DATE 1-12-2012

BY: _____
NAME, TITLE:

COUNTY OF
WATAUGA
RECIPIENT/SUBGRANTEE
FEDERAL EMPLOYER I.D.

DATE _____

BY: _____
DOUG HOELL, DIRECTOR
DIVISION OF EMERGENCY MANAGEMENT
& VICE-CHAIR, NORTH CAROLINA EMERGENCY
RESPONSE COMMISSION

DATE _____

APPROVED AS TO PROCEDURES:

BY: _____
MARVIN MERVIN, CONTROLLER
DEPARTMENT OF PUBLIC SAFETY

DATE _____

BY: _____
DEPUTY SECRETARY, GERALD A. RUDISILL, JR.
DEPARTMENT OF PUBLIC SAFETY

DATE _____

APPROVED AS TO FORM AND SUBJECT TO EXECUTION BY GERALD A. RUDISILL, JR., DEPUTY SECRETARY OF THE DEPARTMENT OF PUBLIC SAFETY.



ATTACHMENT A

Budget and Scope of Work

RECIPIENT/SUBGRANTEE shall implement the Hazardous Materials Emergency Planning Grant project summarized below and as described in the approved project application. That Application is hereby incorporated by reference into this Agreement. The AGENCY/ GRANTEE shall pay eligible costs according to the following expenditures:

I. Funding Summary**A. Project Costs:**

Federal Share:	<u>\$5,000.00</u>
TOTAL:	\$5,000.00

II. Scope of Work Summary

To continue the implementation of the Emergency Planning Community Right-To-Know Act, 42 U.S.C. §11001 et. seq. And Hazardous Materials Incident Preparedness.

To conduct a tabletop exercise (followed by a full scale exercise at a later date) in response to an accidental release of hazardous materials in a lab of Appalachian State University.

III. Reports to be Provided at the Conclusion of Work (no paper copies needed)

1. *One (1) electronic copy of after action report (AAR) following the exercise.*
2. *One (1) electronic copy if any plans are added or updated*
3. *Additional electronic documentation that lists/includes*
 - *Agencies involved*
 - *Number of participants*
 - *Several photographs from exercise*
 - *Any other documentation that would be pertinent*
4. *Any invoices detailing the expenses associated with the project (If applicable, a full breakdown of per diem specifics will need to be provided (e.g. Rosters showing number of people [X] applicable per diem amount). USDOT-PHMSA is slow / hesitant to reimburse per diem expenses based upon food receipts alone. Proper documentation is vital.....*

ATTACHMENT B

LOBBYING PROHIBITION

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence either directly or indirectly an officer or employee of any state or federal agency, a member of the N.C. Legislature, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (c) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENT/SUBGRANTEES shall certify and disclose accordingly.

This certification is a material representative of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

COUNTY OF _____
RECIPIENT/SUBGRANTEE

BY: _____
NAME, TITLE

SIGN H

ATTACHMENT C

Special Conditions

This agreement shall be executed by the RECIPIENT/SUBGRANTEE, and returned to the AGENCY/GRANTEE at the following address:

**EPCRA Coordinator
NC Department of Public Safety
NC Emergency Response Commission
1636 Gold Star Drive
Raleigh, NC 27607
Ref: HMEP**

This agreement will be executed within thirty (30) days after receipt. All time periods in this Agreement refer to calendar days. After receipt by the AGENCY/GRANTEE of the signed Agreement, the AGENCY/GRANTEE will execute this Agreement and return an original to the RECIPIENT/ SUBGRANTEE.

Name: _____

Title: _____

Address: _____

County of _____

City: _____, NC _____

SIGN

ATTACHMENT D

**ASSURANCE OF COMPLIANCE
WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964
DEPARTMENT OF TRANSPORTATION**

The County of Watauga (hereinafter referred to as the "Recipient") **HEREBY AGREES THAT** as a condition to receiving any federal financial assistance **from the Department of Transportation** it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the Act) and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the Regulations) and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, sex or national origin, be excluded from participation in, be denied the benefits of, or be otherwise discrimination under any program or activity for which the Recipient receives federal financial assistance from the Department of Transportation, and **HEREBY GIVES ASSURANCE THAT** it will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a)(1) of the Regulations.

More specifically and without limiting the above general assurance, the Recipient hereby gives the following specific assurance with respect to the project:

1. That the Recipient agrees that each "program" and each "facility" as defined in subsections 21.23(e) and 21.23(b) of the Regulations, will be (with regard to a "program") conducted, or will be (with regard to ("facility")) operated in compliance with all requirements imposed by, or pursuant to, the Regulations.
2. That the Recipient shall insert the following notification in all solicitations for bids for work or material subject to the Regulations and, in adapted form in all proposals for negotiated agreements:

The Recipient, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d and 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in regard to any contract entered into pursuant to this advertisement, minority, business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, sex or national origin in consideration for an award.

3. That the Recipient shall insert the clauses of Appendix B of this agreement in every contract subject to the Act and the Regulations.
4. That this assurance obligates the Recipient for the period during which federal financial assistance is extended to the project.
5. The Recipient shall provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that is, other recipients, sub grantees, contractors, subcontractors, transferees, successors in interest, and other participants of federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations and this assurance.
6. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, and Regulations, and this assurance.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts, property, discounts or other federal financial assistance extended after the date hereof to the Recipient by the Department of Transportation and is binding on it, other recipients, sub grantees, contractors, subcontractors, transferees, successors in interest and other participants in the Department of Transportation Program. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the recipients.

DATE _____

(County)

(Signature of Authorized Official)

(Print Name and Title of Authorized Official)

SIGI

ATTACHMENT E

**ASSURANCE OF COMPLIANCE WITH
TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations: The contractor shall comply with the Regulations relative to nondiscrimination in Federally-Assisted Programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. Nondiscrimination: The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
3. Solicitation for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, sex, or national origin.
4. Information and Reports: The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the County of **Watauga** or the Research and Special Programs Administration (RSPA) to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the County of **Watauga** or the Research and Special Programs Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
5. Sanctions for Noncompliance: In the event of the contractor's noncompliance with nondiscrimination provisions of this contract, the County of **Watauga** shall impose contract sanctions as it or the Research and Special Programs Administration may determine to be appropriate, including, but not limited to:
 - (a) Withholding of payments to the contractor under the contract until the contractor complies; and/or
 - (b) Cancellation, termination, or suspension of the contract, in whole or in part.
6. Incorporation of Provisions: The contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurements as the County of **Watauga** or the Research and Special Programs Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provides, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontract or supplier as a result of such direction, the contractor may request the County of **Watauga** to enter into such litigation to protect the interests of the County of **Watauga** and, in addition the contractor may request the United States to enter into such litigation to protect the interests of the United States.

DATE _____

(County)

(Signature of Authorized Official)

(Print Name and Title of Authorized Official)

SIGN H

ATTACHMENT F

**ASSURANCE OF COMPLIANCE WITH
TITLE VI OF THE CIVIL RIGHTS ACT OF 1964
DEPARTMENT OF TRANSPORTATION**

The following clauses shall be included in all deeds, licenses, leases, permits, or similar instruments entered into by County of Watauga executed in expending these grant funds.

The [grantee, licensee, lessee, permittee, etc., as appropriate] for herself/himself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this [deed, license, lease, permit, etc.] for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the [grantee, licensee, lessee, permittee, etc.] shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination of Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of the above nondiscrimination covenants, County of Watauga shall have the right to terminate the [license, lease, permit, etc.] and to re-enter and repossess said land and the facilities thereon, and hold the same as if said [licenses, lease, permit, etc.] had never been made or issued.

That in the event of breach of any of the above nondiscrimination covenants, County of Watauga shall have the right to re-enter said lands and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of County of Watauga and its assigns.

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by County of Watauga.

The [grantee, licensee, lessee, permittee, etc., as appropriate] for herself/himself, his/her personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in case of deeds, and leases add "as a covenant running with the land"] that (1) no person on the grounds of race, color, sex, or national origin shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing services thereon, no person on the grounds of race, color, sex, or national origin shall be excluded from the participation in, be denied the benefits of, or be otherwise subjected to discrimination, and (3) that the [grantee, licensee, lessee, permittee, etc.] shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, County of Watauga shall have the right to terminate the [license, lease, permit, etc.] and to re-enter and repossess said land and the facilities thereon, and hold the same as if said [license, lease, permit, etc.] had never been made or issued.

That in the event of breach of any of the above nondiscrimination covenants, County of Watauga shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of County of Watauga and its assigns.

- * Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purpose of Title VI of the Civil Rights Act of 1964.

DATE _____

(County)

(Signature of Authorized Official)

(Print Name and Title of Authorized Official)

SIGN

ATTACHMENT G**ASSURANCE OF COMPLIANCE WITH
PRIVACY ACT****22.4 The Sub Recipient agrees:**

22.4.1 To comply with the provisions of the Privacy Act of 1974, 5 U.S.C. § 552A and regulations adopted there under, when performance under the program involves the design, development, or operation of any system of records on individuals to be operated by the Grantee, its third-party contractors, subcontractors, sub grantees, or their employees to accomplish a DOT function;

22.4.2 To notify DOT when the Grantee or any of its third-party contractors, subcontractors, sub grantees, sub recipients, or their employees anticipate operating a system of records on behalf of DOT in order to implement the program, if such system contains information about individual's name or other identifier assigned to the individual. A system of records subject to the Act may not be used in the performance of this Agreement until the necessary and applicable approval and publication requirements have been met.

22.4.3 To include in every solicitation and in every third-party contract, sub grant, and when the performance of work under that proposed third-party contract, sub grant, or sub agreement may involve the design, development, or operation of a system of records on individuals to be operated under that third-party contract, sub grant, or to accomplish a DOT function, a Privacy Act notification informing the third-party contractor, or sub grantee, that it will be required to design, develop, or operate a system of records on individuals to accomplish a DOT function subject to the Privacy Act of 1974, 5 U.S.C. § 552a, and applicable DOT regulations, and that a violation of the Act may involve the imposition of criminal penalties; and

22.4.4 To include the text of Subsections 22.4.1 through 22.4.4 in all third-party contracts, and sub grants under which work for this Agreement is performed or which is awarded pursuant to this Agreement or which may involve the design, development, or operation of such a system of records on behalf of DOT.

DATE

(County)

(Signature of Authorized Official)

(Print Name and Title of Authorized Official)

SIGN I

ATTACHMENT H

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS
(SUB RECIPIENTS OTHER THAN INDIVIDUALS)**

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988, 44 CFR Part 17, Subpart F. The regulations, published in the January 31, 1989 *Federal Register*, require certification by grantees, prior to award, that they will maintain a drug-free workplace. The certification set out below is a material representation of fact upon which reliance will be placed when the agency determines to award the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government-wide suspension or debarment, (*See 44 CFR Part 13, Subpart C 13.300 and Subpart D 13.400*).

The grantee certifies that it will provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing a drug-free awareness program to inform employees about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- (e) Notifying the agency within ten days after receiving notice under subparagraph (d)(2), from an employee or otherwise receiving actual notice of such conviction;
- (f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(2), with respect to any employee who is convicted -
 - (1) Taking appropriate personnel action against such an employee, up to and including termination; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (g).

Place(s) of Performance: The grantee shall insert in the space provided below the site(s) for the performance of work done in connection with the specific grant (street address, city, county, state, zip code):

County Name

Printed Name and Title

Signature

Date

SIGNATURE

H. **Budget:**
(Please provide your projected costs.)

ITEM DESCRIPTION	COST
FACILITY RENTAL	
EQUIPMENT RENTAL	
TRAVEL AND PER DIEM	1,500.00
GOODS AND SERVICES	1,500.00
SUPPLIES AND MATERIALS	500.00
MAIL AND POSTAGE	
PRINTING AND REPRODUCTION	500.00
CONSULTANT FEES	
OTHER COSTS (Please specify.) Food	1,000.00
TOTAL PROJECT COST	5,000.00
GRANT AMOUNT	5,000.00

- Final signed Cost Report to be submitted with final performance report & deliverables – Cost Report not to exceed total amount of Grant award.

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AGENDA ITEM 9:**PLANNING AND INSPECTIONS MATTERS*****C. Brookshire Wetlands Proposal*****MANAGER'S COMMENTS:**

Carroll and Carroll purchased a 148-acre tract of land located on Old Highway 421 South, currently being marketed for mixed use development. Blue Ridge Development Group (BRDG) was hired to review wetlands and jurisdictional streams located on the property. Should the property be developed for mixed use, significant impacts would occur to wetlands and jurisdictional streams. Federal law would require the impacts to be mitigated. One possible option being suggested is to establish a mitigation "bank" on property owned by the County on Brookshire Road.

The option would enhance, expand, and maintain the wetlands and jurisdictional streams on the County property referenced above. In return for County support, BRDG is proposing to construct the greenway along the South Fork of the New River for the entire length of County-owned property. The County is under consideration for a grant to construct this greenway which requires a 50% matching grant. The County's match would be "in-kind" in the form of Sanitation Department personnel constructing the greenway and grant funds paying for the materials. It is uncertain as to the County's likelihood in being awarded the grant; however, accepting the BRDG proposal would allow the greenway to be constructed without affecting the ability to leverage the grant funds if awarded. Staff does not believe the proposal for wetlands mitigation would affect any future development at the Brookshire Complex. The County Attorney has been made aware of the potential project and is currently reviewing the proposal.

The report is for informational purposes and to gauge the Board's interest in possibly pursuing BRDG's proposal. Staff seeks direction from the Board.

Anita.Fogle

From: Joe Furman
Sent: Wednesday, February 01, 2012 10:05 AM
To: Deron.Geouque
Cc: Anita.Fogle
Subject: agenda item - Brookshire wetlands proposal
Attachments: Proposal.docx; EXHIBIT_A.pdf

Deron,

A 148 acre tract of land located on Old Highway 421 South, owned by Carroll and Carroll is currently being marketed for mixed use development, and is likely to be developed as such. In order to prepare for this, the owner contracted with Blue Ridge Development Group, LLC (BRDG) to assess the tract regarding probable impact upon wetlands and "jurisdictional" (regulated) streams. It has been determined there will be substantial impact; federal law requires that the impacts be mitigated. BRDG is proposing to establish a mitigation "bank" on the County's property on Brookshire Road near the Ted Mackorell Soccer Complex. The County's property contains wetlands and jurisdictional streams; the proposal is to enhance, expand and maintain these as shown on the attached map. (The National Committee For The New River, endorsed by the County, unsuccessfully applied for grant funds for a very similar wetlands restoration and enhancement project there in 2009.) In payment, BRDG is proposing to construct the planned greenway along the South Fork New River for the entire length of the property. The County applied for a grant, which is pending, to construct this greenway. The grant is a 50% matching grant; the County's match is to be "in-kind" whereby Sanitation Department personnel would construct the greenway and the grant funds would purchase the materials. Accepting the BRDG proposal would enable either replacing the grant (if awarded) or attempting to restructure it to leverage the BRDG proposal. The likelihood of being awarded the grant is unknown, but it is certain that there is substantial competition for it. Stephen Poulos, Eric Woolridge and I have reviewed the proposal and accompanying map, and do not believe the project would interfere with any future plans for the property.

I have discussed the proposal with the County Attorney; he is reviewing it and will likely have some comments. I request that this be placed on the February 7th Commissioners meeting agenda for consideration. Thanks.

Joe

Joseph A. Furman, AICP
Director, Watauga County Planning & Inspections and Economic Development
331 Queen Street, Suite A
Boone, NC 28607
(828) 265-8043
(828) 265-8080 (fax)
joe.furman@watgov.org

Proposal for the Development of a Stream and Wetland Mitigation Bank

To: Watauga County
Attention Joe Furman, AICP
Director, Watauga County Planning & Inspections and Economic Development
331 Queen Street, Suite A
Boone, NC 28607
Sent via Email to joe.furman@watgov.org

From: Blue Ridge Development Group, LLC
1305 South Collegiate Drive
Wilkesboro, NC 28697

Background and Purpose

Blue Ridge Development Group, LLC (BRDG) proposes to reach an agreement with Watauga County for the purposes of establishing a mitigation bank on 3 adjacent parcels of land located on Brookshire Road in Watauga County, NC. The properties are referenced on the attached exhibit and will from henceforth be known as the Brookshire Park Stream and Wetland Mitigation Bank.

Tract #1

PIN: 2921-00-6676-000
 DEED BK/PG: 729/445

Tract # 2

PIN: 2911-92-5136-000
 DEED BK/PG: 1134/015

Tract # 3

PIN: 2921-02-9838-000
 DEED BK/PG: 1134/004

A mitigation bank is a site where wetlands, streams, and/or other resources are restored, created, enhanced and protected for posterity. The bank is expressly for the purpose of providing compensatory mitigation in advance of authorized impacts to similar resources. The compensation can be for impacts to waters and wetlands regulated under Clean Water Act Section 10/404, 401, state buffer rules, state nutrient rules, endangered species habitat, and flood plain attenuation. This represents a market-based approach as opposed to state provided in lieu fee mitigation.

This proposal is in direct response to the regulatory burden and compensatory mitigation requirements that are anticipated from the commercial development of the Carroll and Carroll tract located on Old US 421 in the Rutherford community. (Book 1577, Page 113 - PIN 2921-92-4995-000) Mitigation credits generated from this project will be sold at the sole discretion of BRDG, LLC.

Terms

BRDG, LLC proposes to develop, own, manage, market, and sell any and all attainable mitigation credits at its sole expense and for its sole profit (exhibit A).

At the end of a favorable discovery as outlined below in the due diligence section and in consideration BRDG, LLC will at no expense to the county, design, permit, and construct an approximately 8' wide and 3000' linear feet greenway trail as depicted on the attached exhibit A map.

The trail shall be 8' wide with an ABC base and a top coat of rock dust. The trail shall be completed no later than 6 months following the end of the due diligence period. A one year warranty will be provided to the county for the workmanship of the trail construction. BRDG, LLC shall not be responsible for damages incurred by flooding or acts of God.

Simultaneously to the development of the trail, wetland/stream mitigation construction will occur at BRDG, LLC's sole expense. Once construction is complete BRDG, LLC will be held responsible by the IRT for maintenance, monitoring and stability of the mitigation for a 5 year period. Following the 5 year period the IRT deems the site stable and thus ends the requirement for additional liability.

Due Diligence Period

The due diligence period will begin on the date of execution of this agreement and span up to 200 days. This period will be used to entitle the Mitigation Bank with the Interagency Review Team (USACE, NCDWQ, etc.) The entitlement includes the bank prospectus, financial performance, mitigation bank Instrument, permitting, and public hearings associated with the regulatory, physical, and cultural/historic aspects of the property. At any time during the due diligence period BRDG, LLC reserves the right, without penalty, to withdraw from this agreement based on discovery of any information that makes the site unviable as a stream and wetland mitigation bank. BRDG, LLC retains the right to proceed prior to the 200 day period. As a part of the mitigation banking instrument approval, recorded deed restrictions to the proposed property are required. These deed restrictions must provide that the property be perpetually preserved as wetlands and streams and recorded with the register of deeds. The deed restrictions shall be suitable to the IRT and will become null and void if the mitigation site or grant funding becomes unviable. If the site becomes unviable as a mitigation bank, and as consideration for the significant resources expended, BRDG, LLC reserves and is afforded the right to at its expense, partner with the county to pursue grant funding related to stream and wetland restoration of the areas identified in exhibit A. In this case the county would be the applicant for any and all grants.

Liability

At no time shall the county be liable for any costs associated with the due diligence or any project costs associated with the mitigation bank. BRDG, LLC and its contractors shall at all times have general liability insurance, professional liability, and workers compensation.

BLUE RIDGE DEVELOPMENT GROUP, LLC	Member-Manager	Date
-----------------------------------	----------------	------

Watauga County Authorized Representative	Title	Date
--	-------	------

NORTH CAROLINA

WATAUGA COUNTY

I certify that the following person personally appeared before me this day, and:

- I have personal knowledge of the identity of the principal(s);
- I have seen satisfactory evidence of the principal's identity, by a current state or federal identification and with the principal's photograph in the form of _____;
- A credible witness has sworn to the identity of the principal(s);

Each acknowledging to me that the above signature has voluntarily executed the foregoing instrument for the purposes therein expressed and in the capacity indicated:

Witness my hand and official stamp or seal, this ____ day of _____, 20__.

_____, Notary Public

Print Name: _____

My Commission Expires: _____

STAMP/SEAL



SITE #3
 OWNER: WATAUGA COUNTY
 814 WEST KING STREET
 BOONE, NC 28607
 PIN: 2921-02-9838-000
 DEED BK/PG: 1134/004
 ACREAGE: 40.75

SITE #2
 OWNER: WATAUGA COUNTY
 814 WEST KING STREET
 BOONE, NC 28607
 PIN: 2921-02-9838-000
 DEED BK/PG: 1134/015
 ACREAGE: 32.62

SITE #1
 OWNER: WATAUGA COUNTY
 814 WEST KING STREET
 BOONE, NC 28607
 PIN: 2921-00-6676-000
 DEED BK/PG: 729/445
 ACREAGE: 7.64

FILL TO REMAIN

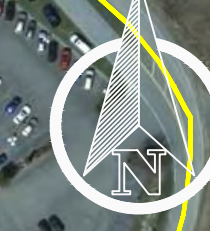
PRACTICE FIELD TO REMAIN

MITIGATION BANK TO BE PERPETUALLY PROTECTED LEGALLY VIA RECORDED PLAT OR LEGAL DESCRIPTION WITH DEED RESTRICTIONS.

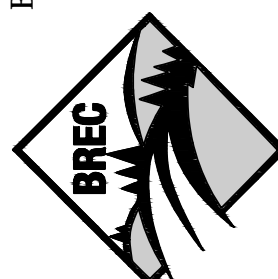
GREENWAY

NEW RIVER

BROOKSHIRE ROAD



THIS IS FOR ILLUSTRATION PURPOSE ONLY - NOT A LEGAL SURVEY.

EXHIBIT A	
REVISIONS:	
DATE:	
PRELIMINARY	
BLUE RIDGE ENVIRONMENTAL CONSULTANTS, PA ENGINEERING / PLANNING / ENVIRONMENTAL 	NCBELS ENGINEERING FIRM #C-3448 1305 SOUTH COLLEGE DRIVE WILKESBORO, NC 28697 336.844.008 http://brec.biz
BROOKSHIRE PARK PROPOSED STREAM & WETLAND MITIGATION BANK PREPARED FOR: WATAUGA COUNTY & BLUE RIDGE DEVELOPMENT GROUP, LLC	DATE: 01/27/2012 PROJECT NUMBER: DRAWN BY: J. EDWARDS APPROVED BY: J. CHURCH SCALE: 1" = 150' (H) (V) SHEET: EX-A

DO NOT SCALE - PLANS MUST BE RECEIVED AS A COMPLETE SET

PRELIMINARY - NOT RELEASED FOR CONSTRUCTION

Y7CDM3 -1H886VMB9 9F-8; 99BJ-FCBA9B5E7CBQ @FBHGDZ575@E1+ -1GF90CF198"11-GD56A5VMBCH9F91 G38ZC@2C5B86ZCF; #9B1C1E19FC F9DFCS1 7HKBCFD-D:1C17CDM8; C: 11-GD56BKH4C1 H149KF4H87CBGBH1C; 04 9F-8; 99BJ-FCBA9B5E7CBQ @FBHGDZ575-GDFC-4H85B8-G5J-C@HKB C : 980F5@7CDM4 -1H8KZD1 BG-56@6M #8G1 D1C"088SSD3F C : 980F

AGENDA ITEM 10:

TAX MATTERS

A. Monthly Collections Report

MANAGER'S COMMENTS:

Tax Administrator Kelvin Byrd will present the monthly collections report and be available for questions and discussion.

The report is for information only; therefore, no action is required.

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AGENDA ITEM 10:

TAX MATTERS

B. Refunds and Releases

MANAGER'S COMMENTS:

Mr. Byrd will present the Refunds and Releases Report. Board action is required to accept the Refunds and Releases Report.

Blank Page

MUNIS FINANCIAL MANAGEMENT SOLUTIONS

WELCOME TO THE NEIGHBORHOOD

020712 BCC Meeting

01/31/2012 17:51
Kelvin.Byrd

WATAUGA COUNTY
RELEASES/REFS - 01/01/2012 TO 01/31/2012

PG 1
tncrpt

OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT
1557494 ADAMS, ARTHUR THOMAS 275 DELMAR ST BOONE, NC 28607	MV 2011	6998	01/10/2012			2,117	C02	7.83
	PVY1611			C02			G01	6.63
	TAX RELEASES				961			
	TURN IN TAG							14.46
1635759 AKERS, SAMUEL DYER 520 TIMBERLANE DR BOONE, NC 286076982	MV 2011	10892	01/05/2012			0	FS1	2.98
	SWY4747			FS1			G01	18.62
	TAX RELEASES				937			
	SOLD CAR							21.60
1635759 AKERS, SAMUEL DYER 520 TIMBERLANE DR BOONE, NC 286076982	MV 2011	10892	01/05/2012			0	FS1	-2.98
	SWY4747			FS1			G01	-18.62
	TAX RELEASES				938			
	SOLD CAR							-21.60
	Reversal of release				937			
1635762 ALPINE CLEANING & RESTORATION INC PO BOX 3333 BOONE, NC 286073333	MV 2011	10916	01/26/2012			10,675	C02	39.50
	XWC4054			C02			G01	33.41
	TAX RELEASES				1016			
	SOLD CAR							72.91
1637640 ALPINE CLEANING & RESTORATION INC BROWN, RICHARD ASHBY 1075 W KING ST BOONE, NC 286073470	MV 2011	28036	01/26/2012			12,401	C02	45.88
	A1257			C02			G01	38.82
	TAX RELEASES				1017			
	SOLD CAR							84.70
1005065 ARNETTE, FRED AND VIRGINIA 142 OLD SLABTOWN RD ZIONVILLE, NC 28698-	PP 2011	1204	01/27/2012			1,000	F07	.50
	439020800			F06			F06	.50
	TAX RELEASES				1026		G01	3.13
	BILLED IN ERROR							
								4.13
1614062 BANKS, MICHAEL RAY PO BOX 751 BANNER ELK, NC 286040751	MV 2011	28121	01/30/2012			0	F05	12.24
	AHC6984			F05			G01	76.62
	TAX RELEASES				1034			
	ONSLow COUNTY							88.86
1614062 BANKS, MICHAEL RAY PO BOX 751 BANNER ELK, NC 286040751	MV 2011	28122	01/30/2012			0	F05	.46
	MRB1			F05			G01	2.88
	TAX RELEASES				1033			
	ONSLow COUNTY							3.34
1637646 BARINOWSKI, ROBERT EMIL III 1689 LEE GUALTNEY RD BANNER ELK, NC 286049367	MV 2011	28136	01/26/2012			5,180	F08	2.59
	XYB9383			F08			G01	16.21
	TAX RELEASES				1021			
	TURN TAG IN							18.80

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1630600 BARKER, KATHY WALLACE 172 VILLAGE DR BOONE, NC 286077925	MV 2011	28137	01/23/2012			0	C02	39.85
	ZWF8821			C02			CF2	5.00
	TAX RELEASES AVERY				994		G01	33.71
								78.56
1725121 BATCHELOR, WILLIAM LOWELL JR PO BOX 1334 BLOWING ROCK, NC 28605-1334	MV 2011	23189	01/23/2012			15,104	C03	42.29
	ADP2574			C03			G01	47.28
	TAX RELEASES SOLD CAR				990			89.57
1611603 BLUME, KENNETH ALLAN BLUME, PAMELA WALKER 454 DEERFIELD FOREST PKWY BOONE, NC 286078433	MV 2011	23277	01/13/2012			5,250	F02	2.10
	1131SA			F02			G01	16.43
	TAX RELEASES SOLD/PLATE TURNED IN				971			18.53
33475 BOONE BAPTIST CHURCH PO BOX 2058 BOONE, NC 28607	MV 2011	23292	01/05/2012			0	F02	2.16
	ZWF8632			F02			G01	16.87
	TAX RELEASES EXEMPT :				947			19.03
1724029 BOONE, RICHARD E. PO BOX 732 LINVILLE, NC 28646	MV 2011	11123	01/06/2012			0	F08	5.42
	AAD2036			F08			G01	33.90
	TAX RELEASES DOUBLE BILLED				956			39.32
1526740 BOWIE, RONALD L BOWIE, BARBARA B 567 APPALACHIAN DR BOONE, NC 28607-4329	MV 2011	23335	01/05/2012			11,420	C02	42.25
	RYK3011			C02			G01	35.74
	TAX RELEASES SOLD CAR				950			77.99
1617641 BRITT, GARNER LEE 111 HAWK TER VILAS, NC 286929736	MV 2011	11166	01/05/2012			7,162	F07	3.58
	YXT9436			F07			G01	22.42
	TAX RELEASES MOVED OUT OF STATE				952			26.00
1611010 BROWN, DAVID REED JR 298 RUSSELTON RD BOONE, NC 286074655	MV 2011	28316	01/27/2012			6,866	F02	2.75
	XZZ4760			F02			G01	21.49
	TAX RELEASES SOLD CAR				1031			24.24
1645416 BRUCE, FAYE DENISE JONES, MARSHA GAY 240 HIRES DR BOONE, NC 28607	MV 2011	23427	01/04/2012			13,312	F09	3.99
	AEX1360			F09			G01	41.67
	TAX RELEASES SOLD CAR				922			45.66

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT	
1564637 BURROWS, MAXINE BRADLEY 1493 LINVILLE CREEK RD VILAS, NC 286929196	MV 2011	28374	01/13/2012			333	F07	CCFIRE	.17
	WWX6153 TAX RELEASES			F07	970		G01	GENCO	1.04
	SOLD/ PLATE TURNED IN								1.21
1574523 BYRD, KELVIN RICHARD 198 N FORK RD ZIONVILLE, NC 286989462	MV 2011	19251	01/09/2012			5,299	F06	ZFIRE	2.65
	ZWF7550 REFUND RELEASE			F06	959		G01	GENCO	16.59
	SOLD CAR								19.24
1250653 BYRD, MARGERY ANN 871 PINNACLE DRIVE BOONE, NC 28607	MV 2011	23501	01/18/2012			3,553	F02	BOFIRE	1.42
	PNY7259 REFUND RELEASE			F02	979		G01	GENCO	11.12
	VEHICLE TRADED/PLATE TURNED IN								12.54
1615372 CARROLL, DONOVAN LEE CARROLL, ELIZABETH ASHLEY 440 OLD US HWY 421 SUGAR GROVE, NC 28679	MV 2011	407	01/20/2012			7,650	F07	CCFIRE	3.83
	0946SR REFUND RELEASE			F07	988		G01	GENCO	23.94
	SOLD VEHICLE								27.77
1612818 CARROLL, JEANETTE MARGARET 314 MEADOWVIEW DR APT 317 BOONE, NC 286074824	MV 2011	28456	01/27/2012			7,017	C02	BOONE	25.96
	TZJ4781 TAX RELEASES			C02	1032		G01	GENCO	21.96
	PLATE TURNED IN								47.92
1618778 CARTER, JAMES HARRY 126 RUSH BRANCH RD SUGAR GROVE, NC 286799413	MV 2011	19325	01/25/2012			4,207	F07	CCFIRE	2.10
	TA89941 TAX RELEASES			F07	1009		G01	GENCO	13.17
	OVERLAP TAGS								15.27
1620324 CHURCH, DARIN RAY PO BOX 161 DEEP GAP, NC 286180161	MV 2010	1449884	01/23/2012			5,662	G01	G01	17.72
	YYE8957 TAX RELEASES			F10	998		F10	F10	2.83
	SOLD CAR								20.55
29622 COLE, LONNIE JOSEPH COLE, FAY REN PO BOX 2037 BANNER ELK, NC 28604	MV 2011	28664	01/04/2012			0	F01	FOSFIRE	2.82
	AH2701 TAX RELEASES			F01	933		G01	GENCO	17.62
	AVERY								20.44
1725105 CREPPS, ERNEST DALE 2317 BARE CREEK RD JEFFERSON, NC 28640-9121	MV 2011	23831	01/17/2012			0	F10	DGFIRE	3.97
	VYL5108 TAX RELEASES			F10	975		G01	GENCO	24.82
	ASHE								28.79

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT	
1620345 CRITCHER BROS PRODUCE INC 7467 OLD US HWY 421 S DEEP GAP, NC 28618	MV 2011	28799	01/04/2012			0	F10	DGFIRE	8.31
	XL2410			F10			G01	GENCO	51.99
	TAX RELEASES				915				
	PUBLIC UTILITIES								60.30
9100604 CRITCHER, TIMOTHY WILSON 1537 BURKETT RD BOONE, NC 28607	MV 2010	1438953	01/17/2012			2,850	G01	G01	8.92
	VYX3030			F09			F09	F09	.86
	TAX RELEASES				978				
	OVERLAPPING PLATES								9.78
1629908 CUDLIPP, MICHAEL PETER 12555 BISCAYNE BLVD #785 NORTH MIAMI, FL 33181	MV 2011	28825	01/06/2012			1,000	C03	BLOW ROCK	2.80
	BT38354			C03			G01	GENCO	3.13
	TAX RELEASES				955				
	TURN IN TAG								5.93
1582018 DAVIS, PAN MILLER 1397 NC HWY 105 BYPASS BOONE, NC 28607	MV 2011	28894	01/05/2012			0	F01	FOSFIRE	2.19
	PPF6234			F01			G01	GENCO	13.68
	TAX RELEASES				949				
	WRONG OWNER								15.87
1724130 DICKINSON, STEWART JAMES 302 TYNEMOUTH DR CARY, NC 27513-5577	MV 2011	19662	01/20/2012			0	F02	BOFIRE	5.17
	AEX1320			F02			G01	GENCO	40.44
	TAX RELEASES				982				
	WAKE								45.61
1724130 DICKINSON, STEWART JAMES 302 TYNEMOUTH DR CARY, NC 27513-5577	MV 2011	19661	01/20/2012			0	F02	BOFIRE	1.40
	XZH1204			F02			G01	GENCO	10.92
	TAX RELEASES				989				
	WAKE COUNTY								12.32
1725047 DOLLAR, BARRY WILLIAM DOLLAR, SHERRY HICKS 404 S BALD FORK RD TODD, NC 28684-9752	MV 2011	23954	01/05/2012			0	F11	TDFIRE	1.66
	ZSC5845			F11			G01	GENCO	7.42
	TAX RELEASES				951				
	ASHE								9.08
1629059 DOUGLAS, JEFFREY HOWARD DOUGLAS, CYNTHIA BROWNE PO BOX 2114 BOONE, NC 286072114	MV 2011	23977	01/26/2012			3,868	F09	MCFIRE	1.16
	WWX5430			F09			G01	GENCO	12.11
	TAX RELEASES				1023				
	SOLD VEHICLE								13.27
1638557 EGGERS, MARTHA ELROD EGGERS, CHARLES DEAN 214 WILL COOK RD BOONE, NC 286077754	MV 2011	33803	01/26/2012			0	F02	BOFIRE	.17
	BX75621			F02			G01	GENCO	1.31
	TAX RELEASES				1020				
	VEHICLE STOLEN								1.48

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1636494 ENGLISH, JESSE DEWAYNE ENGLISH, TIFFANY CLORICE 83 S DALE ST SPRUCE PINE, NC 287778918	MV 2011 XVV1651 TAX RELEASES RELEASE TO MITCHELL COUNTY	19769	01/20/2012	F02	987	0	F02 G01 BOFIRE GENCO	3.57 27.95 <hr/> 31.52
1724924 FELTON, DAMIAN JEREMIAH FELTON, NISSA SYNNOVE FANNING PO BOX 692 VALLE CRUCIS, NC 28691-0692	MV 2011 AEW9522 TAX RELEASES MOVED TO WI	24119	01/24/2012	F08	1004	6,533	F08 G01 SHWFIRE GENCO	3.27 20.45 <hr/> 23.72
1721743 FLORES, EDITH GONZALEZ 293 HENSELS LN BOONE, NC 28607-8593	MV 2011 AEW6825 TAX RELEASES SOLD CAR	7967	01/31/2012	F02	1044	2,629	F02 G01 BOFIRE GENCO	1.05 8.23 <hr/> 9.28
1721743 FLORES, EDITH GONZALEZ 293 HENSELS LN BOONE, NC 28607-8593	MV 2011 AEW8164 TAX RELEASES SOLD CAR	7968	01/31/2012	F02	1043	2,233	F02 G01 BOFIRE GENCO	.89 6.99 <hr/> 7.88
1635301 FREEDOM FARM MINISTRIES 275 CABBAGE CREEK RD CRESTON, NC 28615-9600	MV 2011 ZWF8464 TAX RELEASES EXEMPT RELEASE TO ASHE	29190	01/27/2012	F02	1028	0	F02 G01 BOFIRE GENCO	.89 6.98 <hr/> 7.87
1702529 FREEDOM FARMS MINISTRIES, INC COLLIE, ROBERT CARR JR PO BOX 153 BOONE, NC 28607-0153	MV 2010 4370SM TAX RELEASES EXEMPT	815	01/04/2012	F06	925	0	F06 G01 F06 G01	8.63 53.99 <hr/> 62.62
1619736 GANLEY, TIMOTHY JAMES GANLEY, EVELYN SHURLEY 207 KALMIA LN BOONE, NC 286078659	MV 2011 TXP8285 REFUND RELEASE SOLD CAR	8054	01/23/2012	F02	995	3,390	F02 G01 BOFIRE GENCO	1.36 10.61 <hr/> 11.97
1597136 GARCIA, RAUL RAFAEL 10000 SW 93RD AVE MIAMI, FL 331763069	MV 2011 67RDSTR TAX RELEASES sold car	24220	01/24/2012	F02	1006	8,907	F02 G01 BOFIRE GENCO	3.56 27.88 <hr/> 31.44
1537322 GOTTFRIED, KENNETH R ADAMS, CHRISTY L 485 PRIVATE DR SUGAR GROVE, NC 28679	MV 2011 VSC6371 TAX RELEASES SOLD CAR	12026	01/18/2012	F04	980	7,846	F04 G01 BDAMFIRE GENCO	3.92 24.56 <hr/> 28.48

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1629983 GREEN, MONTE WARREN 15020 S SAXON CIR SW RANCHES, FL 333312807	MV 2011	29313	01/09/2012			4,192	F02	BOFIRE	1.68
	XNX2738 TAX RELEASES SOLD CAR			F02	960		G01	GENCO	13.12
									14.80
1729070 GREENE, MAC PO BOX 534 DEEP GAP, NC 28618-0534	MV 2011	34170	01/26/2012			0	F10	DGFIRE	.86
	XNX2747 TAX RELEASES RELEASE TO WILKES			F10	1019		G01	GENCO	5.38
									6.24
1724886 HATCH, WILLIAM RILEY HATCH, MARLA PHILLIPS 33 HANGING ROCK ESTATES L BANNER ELK, NC 28604-9616	MV 2011	24518	01/05/2012			0	C04	SEVEN DEV	29.58
	809 TAX RELEASES AVERY			C04	944		G01	GENCO	18.15
									47.73
1571291 HEBRON COLONY MINISTRIES, INC. 356 OLD TURNPIKE RD BOONE, NC 28607-7387	MV 2011	29547	01/23/2012			0	F01	FOSFIRE	.93
	TYT3115 TAX RELEASES EXEMPT			F01	992		G01	GENCO	5.79
									6.72
1572744 HICKS, PAULINE HICKS 270 WESTSIDE DR BOONE, NC 286078881	MV 2011	24607	01/20/2012			2,090	F02	BOFIRE	.84
	NSF3155 REFUND RELEASE PLATE TURNED IN			F02	981		G01	GENCO	6.54
									7.38
1607908 HINDMAN, GINGER NICOLE 7104 DOGWOOD KNOB ROAD NEWLAND, NC 28657-7407	MV 2010	1441937	01/17/2012			0	G01	G01	20.69
	WXS8095 TAX RELEASES BURKE			C02	974		C02	C02	24.46
									45.15
1623633 HODGES, KRISTINA CRITCHER HODGES, JONATHAN MACK 277 PARKCREST DR BOONE, NC 286075192	MV 2010	1443236	01/11/2012			4,350	G01	G01	13.62
	XPS6747 REFUND RELEASE SOLD VEHICLE			F10	967		F10	F10	2.18
									15.80
1728353 HOLLAND, CAROLYN GARD PO BOX 866 LINVILLE, NC 28646-0866	MV 2011	29650	01/04/2012			0	F01	FOSFIRE	8.75
	PZZ3992 TAX RELEASES AVERY			F01	923		G01	GENCO	54.78
									63.53
1634463 HOLTON ROBERT AND BEVERLY SOC HOUCK ROAD P O BOX 3075 BOONE, NC 28607	PP 2011	3523	01/30/2012			160	G01	GENCO	.50
	634463999 TAX RELEASES BUSINESS CLOSED 2010			C02	1038		C02	BOONE	.59
									1.09

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1621070 HONEYCUTT, VIRGINIA EVANS 1045 HUNTING HILLS RD BOONE, NC 28607	MV 2011	29678	01/06/2012		4,840	C02	17.91
	AFW5589		C02			G01	15.15
	TAX RELEASES			954			
	SOLD CAR						33.06
1725146 HOOPER, MARY HILTON HOOPER, DAVID TRUMAN 167 SNOW CLOUD DR SEVEN DEVILS, NC 28604-9171	MV 2011	24696	01/05/2012		0	C04	49.32
	WWX6125		C04			G01	30.27
	TAX RELEASES			943			
	AVERY						79.59
1648772 HOWELL, TAMARA DAWN 232 RIVERBANK CV BOONE, NC 286076302	MV 2011	12509	01/03/2012		0	F01	.26
	AEW8374		F01			G01	1.63
	TAX RELEASES			904			
	SOLD VEHICLE						1.89
1593819 HUTCHENS, THOMAS LINEBACK 496 BOONE COFFEY TRL BOONE, NC 286079538	MV 2011	29727	01/23/2012		7,874	F12	3.94
	AEW9734		F12			G01	24.65
	TAX RELEASES			999			
	SOLD CAR						28.59
1553763 HYATT, BETTY WATSON PO BOX 1271 BOONE, NC 286071271	MV 2011	20478	01/04/2012		600	C02	2.22
	LVB8956		C02			G01	1.88
	TAX RELEASES			918			
	SOLD CAR						4.10
1633723 JAMES, JOHN WILLIAM III 1584 HATTIE HILL RD VILAS, NC 286929358	MV 2011	1493	01/04/2012		2,822	F04	1.41
	XPS8317		F04			G01	8.83
	REFUND RELEASE			913			
	SOLD VEHICLE						10.24
1635366 JOHNSTON, MITCHELL WADE 692 MABEL SCHOOL RD ZIONVILLE, NC 286989451	MV 2011	29820	01/20/2012		4,017	F05	2.01
	XYC3490		F05			G01	12.57
	TAX RELEASES			983			
	PLATE TURNED IN						14.58
1519842 JONES, JOHN T JONES, NANCY R 290 SUNNYSIDE DR BOONE, NC 28607	MV 2011	29832	01/23/2012		0	C02	7.36
	ZWF8454		C02			CF2	5.00
	TAX RELEASES			1001		G01	6.23
	NOT CO2						18.59
1579505 JUNKER, DUANE ALLEN 1012 NORTHRIDGE DR BOONE, NC 286075187	MV 2011	1548	01/04/2012		2,870	F10	1.44
	WRR8677		F10			G01	8.98
	TAX RELEASES			927			
	SOLD CAR						10.42

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1628555 KANIPE, NICOLAS LEE 523 BLOWING ROCK ROAD APT 19 BOONE, NC 28607	MV 2011	24897	01/04/2012			10,954	F07	CCFIRE	5.48
	WVK8902			F07			G01	GENCO	34.29
	TAX RELEASES				911				
	SOLD/PLATE TURNED IN								39.77
1582783 KATTNER, JEFFREY LOUIS 120 BUCKEYE LN BANNER ELK, NC 28604	MV 2011	29867	01/05/2012			0	C04	SEVEN DEV	1.53
	AV53892			C04			G01	GENCO	.94
	TAX RELEASES				939				
	AVERY								2.47
1630842 KETINA CORP 612 KALMIA LN BOONE, NC 286078663	MV 2010	1450795	01/11/2012			12,850	G01	G01	40.22
	YZS6350			F02			F02	F02	5.14
	TAX RELEASES				966				
									45.36
1509834 LAWRENCE, WILLIAM GERALD 4708 HWY 421 N VILAS, NC 28692	MV 2011	20742	01/26/2012			1,170	F07	CCFIRE	.59
	WWX5985			F07			G01	GENCO	3.66
	TAX RELEASES				1022				
	VALUE ADJUSTMENT								4.25
1637217 LEHR, ANDREW JAMES 572 RUSSELTON RD BOONE, NC 286075513	MV 2010	1446135	01/04/2012			3,188	G01	G01	9.98
	XYC3106			F02			F02	F02	1.28
	REFUND RELEASE				932				
	SOLD CAR								11.26
1566061 LENTZ, CHARLES LEWIS LENTZ, DEBORAH BEAVER 299 W GRANDVIEW HTS BOONE, NC 286077621	MV 2010	1470	01/31/2012			350	C02	C02	1.30
	ZRX3058			C02			G01	G01	1.10
	REFUND RELEASE				1046				
	SOLD VEHICLE TURN IN TAG								2.40
1566061 LENTZ, CHARLES LEWIS LENTZ, DEBORAH BEAVER 299 W GRANDVIEW HTS BOONE, NC 286077621	MV 2011	5215	01/31/2012			1,382	C02	BOONE	5.11
	YTB9455			C02			G01	GENCO	4.33
	REFUND RELEASE				1047				
	SOLD VEHICLE TURN IN TAG								9.44
1648313 LEONARD, CARLTON KEITH 180 MEADOW HILL DR APT 203 BOONE, NC 286073964	MV 2011	25063	01/05/2012			0	C02	BOONE	13.32
	AEW9505			C02			CF2	BOMVFEE	5.00
	TAX RELEASES				953		G01	GENCO	11.27
	INCORRECT OWNER								
									29.59
1648313 LEONARD, CARLTON KEITH 180 MEADOW HILL DR APT 203 BOONE, NC 286073964	MV 2011	20760	01/23/2012			1,219	C02	BOONE	4.51
	ZWF7380			C02			G01	GENCO	3.82
	TAX RELEASES				1000				
	PLATE TURNED IN								8.33

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	VALUE	CHARGE	AMOUNT
					REF NO		
1635073 LINGLE, KATHRYN G LINGLE, JASON C 265 WILDCAT RD DEEP GAP, NC 28618	MV 2011	20782	01/23/2012			F10	.93
	YTC1914			F10		G01	5.82
	REFUND RELEASE SOLD CAR				993	DGFIRE GENCO	6.75
1569080 MAIN, LARRY DEAN 199 SAWMILL RD TODD, NC 286849021	MV 2011	20847	01/04/2012			F09	.72
	WVR5836			F09		G01	7.49
	TAX RELEASES BILL OF SALE				910	MCFIRE GENCO	8.21
1569359 MARLAND, KIMBERLY C MARLAND, ERIC S 393 GLENDALE DR BOONE, NC 28607	MV 2011	34864	01/25/2012			C02	4.44
	XPN2480			C02		G01	3.76
	TAX RELEASES HIGH MILES 104000				1013	BOONE GENCO	8.20
1643870 MARLETT, MELISSA ANN 296 TONI AVE BLOWING ROCK, NC 286056010	MV 2011	30087	01/10/2012			F02	4.88
	AEW3885			F02		G01	38.22
	TAX RELEASES SOLD CAR				962	BOFIRE GENCO	43.10
1521390 MATHESON, JUDY WARREN 293 CASTLE LN ZIONVILLE, NC 28698	PP 2011	1112	01/26/2012			F06	5.03
	383794000			F06		G01	31.49
	TAX RELEASES LISTED IN ERROR/ DOUBLE BILLED				1024	ZFIRE GENCO	36.52
1637841 MATSUDA, LONNY HISASHI 1030 RAVEN ROCK DR BOONE, NC 286075116	MV 2011	30123	01/12/2012			F09	.52
	XYC3453			F09		G01	5.42
	TAX RELEASES SOLD CAR				968	MCFIRE GENCO	5.94
1580298 MAYBEE, FREDRICK MICHAEL PO BOX 1650 BLOWING ROCK, NC 286051650	MV 2011	25240	01/20/2012			C03	-2.32
	PPF6626			C03		G01	-2.58
	TAX RELEASES SOLD CAR Reversal of release				985	BLOW ROCK GENCO	-4.90
1580298 MAYBEE, FREDRICK MICHAEL PO BOX 1650 BLOWING ROCK, NC 286051650	MV 2011	25240	01/20/2012			C03	2.32
	PPF6626			C03		G01	2.58
	TAX RELEASES SOLD CAR				984	BLOW ROCK GENCO	4.90
1257682 MCDONALD, ANDREW A AND DONNA 183 CELTIC WAY BOONE, NC 28607-7944	MV 2011	30152	01/24/2012			F02	2.08
	TYH3615			F02		G01	16.29
	TAX RELEASES SOLD CAR				1007	BOFIRE GENCO	18.37

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	VALUE	CHARGE	AMOUNT
					REF NO		
1622300 MCFADDEN, KAREN A 4701 ELK CREEK RD DEEP GAP, NC 286189580	MV 2011	25292	01/25/2012			F05	2,800
	XYC5912			F05		G01	8.76
	TAX RELEASES ADJUSTED VALUE				1012	SSFIRE GENCO	1.40 8.76 <hr/> 10.16
1616681 MEADOWVIEW ENTERPRISES MILLWOOD APTS 480 HWY 105 EXT BOONE, NC 28607	PP 2011	3224	01/30/2012			G01	2,580
	616681999			C02		C02	6.92
	TAX RELEASES BUSINESS CLOSED 2010				1036	GENCO BOONE	5.85 6.92 <hr/> 12.77
1634455 MEADOWVIEW ENTERPRISES VILLAGE ON THE GREEN 160 PO BOX 3075 BOONE, NC 28607	PP 2011	3521	01/30/2012			G01	460
	634455999			C03		GENCO	1.44
	TAX RELEASES BUSINESS CLOSED 2010				1037		
1610524 MILES, RUTH AUDREY 499 PEACEFUL HAVEN DR UNIT 722 BOONE, NC 28607	MV 2011	30215	01/24/2012			F01	13,766
	XZT8185			F01		G01	43.09
	TAX RELEASES MOVED TO VA				1005	FOSFIRE GENCO	6.88 43.09 <hr/> 49.97
1729074 MILLER, SANDRA OWENS PO BOX 1672 BOONE, NC 28607-1672	MV 2011	35008	01/30/2012			F02	20,419
	AEX1942			F02		G01	63.91
	TAX RELEASES OVERLAPPING PLATES				1039	BOFIRE GENCO	8.17 63.91 <hr/> 72.08
1729074 MILLER, SANDRA OWENS PO BOX 1672 BOONE, NC 28607-1672	MV 2011	35008	01/30/2012			F02	-20,419
	AEX1942			F02		G01	-63.91
	TAX RELEASES OVERLAPPING PLATES Reversal of release				1040	BOFIRE GENCO	-8.17 -63.91 <hr/> -72.08
1729074 MILLER, SANDRA OWENS PO BOX 1672 BOONE, NC 28607-1672	MV 2011	35008	01/30/2012			F02	29,170
	AEX1942			F02		G01	91.30
	TAX RELEASES OVERLAPPING PLATES				1041	BOFIRE GENCO	11.67 91.30 <hr/> 102.97
1626009 MORK, TERRI JANEANE 694 WHITE LAUREL LN BOONE, NC 286079331	MV 2011	21158	01/20/2012			F02	5,040
	NSH2636			F02		G01	15.78
	TAX RELEASES PLATE TURNED IN				986	BOFIRE GENCO	2.02 15.78 <hr/> 17.80
1621432 MORROW, ZAWADI JONATHAN 313 CHASE HILL DR BOONE, NC 286077915	MV 2010	1448139	01/23/2012			G01	2,183
	YTB8083			C02		C02	8.08
	REFUND RELEASE SOLD CAR				997	G01 C02	6.83 8.08 <hr/> 14.91

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT	
1621432 MORROW, ZAWADI JONATHAN 313 CHASE HILL DR BOONE, NC 286077915	MV 2011	21166	01/23/2012			10,109	C02	BOONE	37.40
	ADN9781			C02			G01	GENCO	31.64
	TAX RELEASES SOLD CAR				1003				69.04
1621432 MORROW, ZAWADI JONATHAN 313 CHASE HILL DR BOONE, NC 286077915	MV 2011	30347	01/23/2012			0	C02	BOONE	6.11
	VZB2469			C02			CF2	BOMVFEE	5.00
	TAX RELEASES SOLD CAR				996		G01	GENCO	5.16
									16.27
1578575 MR ELECTRIC 234 CLOUD RISE LANE BANNER ELK, NC 28604	PP 2011	2416	01/27/2012			3,470	F01	FOSFIRE	1.74
	578575999			F01			G01	GENCO	10.86
	TAX RELEASES BUSINESS CLOSED 12/31/10				1030				12.60
1603058 NC DEPT OF TRANSPORTATION PO BOX 250 NORTH WILKESBORO, NC 28659	RE 2011	24804	01/31/2012			47,500	G01	GENCO	148.68
	2817-14-3508-000			C03					
	TAX RELEASES EXEMPT PROPERTY				1048				
1611899 NEWMAN, EDWIN CARRAWAY II NEWMAN, LYNN PARNELL PO BOX 1305 BANNER ELK, NC 286041305	MV 2011	25546	01/05/2012			8,508	F08	SHWFIRE	4.25
	TVE6395			F08			G01	GENCO	26.63
	TAX RELEASES TURN IN TAG				940				30.88
1613883 NORRIS, AMY GABRIELLE 520 SCHAFFER RD BOONE, NC 286078079	MV 2011	21228	01/13/2012			6,334	F01	FOSFIRE	3.17
	AEX1279			F01			G01	GENCO	19.83
	TAX RELEASES SOLD CAR				972				23.00
1722799 OWEN, JOEL KENNERLY 174 MAPLE CT BANNER ELK, NC 28604-8127	MV 2011	25630	01/03/2012			0	F01	FOSFIRE	6.02
	VF7869			F01			G01	GENCO	37.65
	TAX RELEASES AVERY COUNTY				905				43.67
1599394 PALERMO, SHARRON WHITE PO BOX 2998 BOONE, NC 28607	MV 2011	21331	01/04/2012			14,286	F02	BOFIRE	5.71
	SWPBP			F02			G01	GENCO	44.72
	REFUND RELEASE SOLD CAR				928				50.43
1211200 PATRICK, SARAH C/O JUDY CROW/EXE 105 BUGLE DRIVE GOOSE CREEK, SC 29445	PP 2011	508	01/20/2012			10,120	F07	CCFIRE	5.06
	163052200			F07			G01	GENCO	31.68
	TAX RELEASES SOLD MH IN 2010				977		LF	SWASTE	62.00
							GB	GBOX	25.00
									123.74

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	VALUE	CHARGE	AMOUNT
					REF NO		
1649327 PAYNE, ROBINSON JAMES 1420 WINKLERS CREEK RD BOONE, NC 286078903	MV 2011	30518	01/05/2012			F02	14,122
	ZWF9001			F02		G01	44.20
	TAX RELEASES				948	BOFIRE	
	SOLD CAR					GENCO	49.85
1238773 PETREY, WINSTON STEPHEN AND KAREN 140 EASTRIDGE ACRES CT BOONE, NC 28607	PP 2011	550	01/31/2012			G01	5,850
	175810100			F02		F02	18.31
	TAX RELEASES				1042	BOFIRE	2.34
	SOLD BOAT IN 2010						20.65
1547522 PITT, JANE ROMAN 41 W ZIMMERMAN DR FAIRFIELD, IA 52556-2171	MV 2011	30596	01/04/2012			F02	6,358
	4388AT			F02		G01	19.90
	TAX RELEASES				930	BOFIRE	
	SOLD CAR					GENCO	22.44
1580924 PITTS, KENNETH PERRY 6459 BROAD CREEK RD WASHINGTON, NC 27889	PP 2011	2448	01/27/2012			G01	4,180
	580924999			F02		F02	13.08
	TAX RELEASES				1027	BOFIRE	1.67
	SOLD BOAT OUTSIDE OF COUNTY IN				2009		14.75
1637308 PITTS, KENNETH VON PO BOX 487 BLOWING ROCK, NC 286050487	MV 2011	21430	01/03/2012			F08	14,286
	4J4175			F08		G01	9.86
	TAX RELEASES				907	SHWFIRE	
	SOLD CAR					GENCO	11.44
1637308 PITTS, KENNETH VON PO BOX 487 BLOWING ROCK, NC 286050487	MV 2011	21430	01/03/2012			F08	-14,286
	4J4175			F08		G01	-9.86
	TAX RELEASES				908	SHWFIRE	
	SOLD CAR					GENCO	-11.44
	Reversal of release				907		
1572903 PLANE, ROBERT FREEMAN JR PLANE, BARBARA N PO BOX 933 BLOWING ROCK, NC 286050933	MV 2011	25765	01/27/2012			F12	1,674
	NSH5275			F12		G01	5.24
	TAX RELEASES				1029	BRFIRE	
	SOLD CAR					GENCO	6.08
1648396 POLLARD, JOHN MANLY JR POLLARD, CAROLINE SMITH 1247 NIGHTINGALE CT LELAND, NC 28451	MV 2011	21446	01/25/2012			F02	0
	ZST9817			F02		G01	6.27
	TAX RELEASES				1010	BOFIRE	49.08
	BRUNSWICK					GENCO	55.35
1129246 POTTER, JAMES BOYD 175 SAWMILL ROAD TODD, NC 28684-9021	MV 2011	25794	01/12/2012			F09	1,100
	WVR5855			F09		G01	3.44
	TAX RELEASES				969	MCFIRE	
	ADJ FOR BILL SALE					GENCO	3.77

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT
1646600 PRESNELL, CONLEY KIT 127 PRESNELL SCHOOL RD BANNER ELK, NC 28604	MV 2011 AEW9643 TAX RELEASES SOLD CAR	30642	01/04/2012	F04	926	1,679	F04 G01 BDAMFIRE GENCO	.84 5.26 <hr/> 6.10
1728994 REDMAN, PAUL DAVID 634 BLUEBERRY LN BOONE, NC 28607-8316	MV 2011 BV98633 TAX RELEASES ADJ FOR BILL OF SALE	35415	01/26/2012	F12	1014	23,000	F12 G01 BRFIRE GENCO	11.50 71.99 <hr/> 83.49
1722828 REGION D COUNCIL OF GOVE, RNMENTS PO BOX 1820 BOONE, NC 28607-1820	MV 2011 LWD1787 TAX RELEASES EXEMPT	13708	01/04/2012	C02	919	0	C02 CF2 G01 BOONE BOMVFEE GENCO	7.81 5.00 6.60 <hr/> 19.41
1728472 RESORT AREA MINISTRIES IN, C PO BOX 24 BOONE, NC 28607-0024	MV 2011 AEX1101 TAX RELEASES EXEMPT VEHICLE	30747	01/17/2012	MS1	976	1,250	C02 CF2 G01 MS1 BOONE BOMVFEE GENCO MSDIST	4.63 5.00 3.91 2.63 <hr/> 16.17
1549805 SAMARITANS PURSE PO BOX 3000 BOONE, NC 28607-3000	MV 2011 WWX5355 TAX RELEASES EXEMPT	26080	01/05/2012	F02	941	0	F02 G01 BOFIRE GENCO	7.39 57.81 <hr/> 65.20
20625 SANTORO, MICHAEL J SANTORO, CATHERINE 1337 STRATFORD AVE PANANA CITY, FL 32404	MV 2011 AEX1633 TAX RELEASES AVERY COUNTY	35560	01/31/2012	C05	1045	0	C05 G01 BEECH MTN GENCO	25.09 12.27 <hr/> 37.36
1648428 SCHOOLS, ROBERT TEMPLE JR 24399 MORGAN RD HOLLYWOOD, MD 20636-2038	MV 2010 ZWF7563 TAX RELEASES SOLD VEHICLE	1454098	01/10/2012	F06	963	2,455	G01 F06 G01 F06 G01 G01 G01	7.68 1.23 <hr/> 8.91
1636718 SHELLEY, ALEXA LUZANE PO BOX 1084 BOONE, NC 286071084	MV 2011 ZWF7426 TAX RELEASES TURN IN TAG	21816	01/09/2012	F09	957	8,255	F09 G01 MCFIRE GENCO	2.48 25.84 <hr/> 28.32
1564987 SHINE, JAMES WILLIAM SHINE, SUSANNE MAYER 280 EMORY GREER RD ZIONVILLE, NC 28698	MV 2011 RYK3024 TAX RELEASES SOLD CAR	26162	01/09/2012	F06	958	2,648	F06 G01 ZFIRE GENCO	1.32 8.29 <hr/> 9.61

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	VALUE	CHARGE	AMOUNT
					REF NO		
1636720 SHIPPY, REBECCA WHEELER 166 CHIGGER MOUNTAIN LN BOONE, NC 286077160	MV 2011	21836	01/04/2012			F10	4.75
	BEXCAR			F10		G01	29.75
	TAX RELEASES				929	DGFIRE	
	SOLD VEHICLE					GENCO	34.50
1533810 SHOOK, JEAN S 244 DEVILS DEN RD BANNER ELK, NC 286048616	MV 2011	35630	01/25/2012			F01	2.07
	XYC3963			F01		G01	12.94
	TAX RELEASES				1011	FOSFIRE	
	SOLD CAR					GENCO	15.01
1598881 SISELL, SHARON TEAGUE 460 SHADY GROVE DR BOONE, NC 286075129	MV 2011	2770	01/24/2012			F10	.59
	YZS7493			F10		G01	3.72
	TAX RELEASES				1008	DGFIRE	
	PLATE TURNED IN					GENCO	4.31
1557905 SKI HAWKSNEST INC 2058 SKYLAND DR BANNER ELK, NC 28604	MV 2011	26215	01/26/2012			C04	22.11
	YTB8773			C04		G01	13.57
	TAX RELEASES				1015	SEVEN DEV	
	OVERLAP					GENCO	35.68
1728399 SMITH, MARTHA BARRETT 330 W GRANDVIEW HTS # 2 BOONE, NC 28607-7699	MV 2011	31008	01/03/2012			C02	1.11
	AEW9373			C02		CF2	5.00
	TAX RELEASES				906	BOONE	
	INCORRECT YR					BOMVFEE	.94
						GENCO	7.05
1611356 SOMMER, CAROL JEAN ISQUITH, BARRY ROGER 1410 BEECH MTN PKWY BANNER ELK, NC 28604	MV 2011	21940	01/04/2012			C04	11.12
	TYF8525			C04		G01	6.83
	TAX RELEASES				917	SEVEN DEV	
	SOLD CAR					GENCO	17.95
1722964 STANLEY, CAROL LYNN 7621 MILL GROVE RD INDIAN TRAIL, NC 28079-8703	MV 2011	14075	01/23/2012			F02	3.30
	ZSC5166			F02		G01	25.85
	REFUND RELEASE				991	BOFIRE	
	SOLD CAR					GENCO	29.15
1642404 TARRIER, HEATHER DAWN 2565 OLD US HIGHWAY 421 VILAS, NC 286929062	MV 2010	1454100	01/11/2012			G01	3.67
	ZWF7565			F07		F07	.59
	TAX RELEASES				965	G01	
	TURN IN TAG					F07	4.26
1642404 TARRIER, HEATHER DAWN 2565 OLD US HIGHWAY 421 VILAS, NC 286929062	MV 2011	2934	01/11/2012			F07	.50
	AAE7854			F07		G01	3.10
	TAX RELEASES				964	GCFIRE	
	TURN IN TAG					GENCO	3.60

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT
1537819 TEETERS, THOMAS T TEETERS, DORIT L 365 CASTLE FORD RD BOONE, NC 28607	MV 2011	35847	01/26/2012			2,700	F09 G01	.81 8.45
	PPY3509 TAX RELEASES LOST ADJ CODE			F09	1018		MCFIRE GENCO	9.26
1645767 TESTER, MARY C LIFE ESTATE FLETCHER, LINDA T 2206 PEORIA RD 28679 SUGAR GROVE, NC 28679	RE 2011	10560	01/05/2012			22,900	F04 G01	11.45 71.68
	1943-71-2958-000 TAX RELEASES HOUSE IS SHACKHOUSE NO SWF			F04	942		GB SWF	25.00 62.00
								170.13
1645378 TESTER, MARY LIFE ESTATE TESTER, RAYMOND C 2206 PEORIA RD SUGAR GROVE, NC 28679	RE 2011	10632	01/04/2012			49,400	F04 G01	24.70 154.62
	1943-99-8465-000 TAX RELEASES FAILED TO RECEIVE PUV			F04	935		BDAMFIRE GENCO	179.32
1645378 TESTER, MARY LIFE ESTATE TESTER, RAYMOND C 2206 PEORIA RD SUGAR GROVE, NC 28679	RE 2011	10664	01/04/2012			43,700	F04 G01	21.85 136.78
	1944-90-6206-000 TAX RELEASES FAILED TO RECEIVE PUV			F04	934		BDAMFIRE GENCO	158.63
1580469 VALLE CRUCIS CONFERENCE CENTER PO BOX 654 VALLE CRUCIS, NC 286910654	MV 2011	26583	01/04/2012			0	F08 G01	1.80 11.27
	BL2700 TAX RELEASES EXEMPT			F08	924		SHWFIRE GENCO	13.07
1724894 VALLE CRUCIS MISSION SCHO, OL HWY 194 PO BOX 654 VALLE CRUCIS, NC 28691-0654	MV 2011	26585	01/05/2012			0	F01 G01	.15 .94
	BE81227 TAX RELEASES EXEMPT			F01	945		FOSFIRE GENCO	1.09
1650053 WALKER, HEATHER ELIZABETH 268 MOUNTAIN FLOWER DR BANNER ELK, NC 286047860	MV 2010	1455420	01/04/2012			600	G01 F01	1.88 .30
	ZWF9457 REFUND RELEASE SOLD CAR			F01	920		G01 F01	2.18
1298843 WATSON, DALE ARLIE 3424 ROBY GREENE RD BOONE, NC 28607	MV 2011	36079	01/30/2012			0	F02 G01	.60 4.70
	XC1938 TAX RELEASES OVERLAPPING PLATE			F02	1035		BOFIRE GENCO	5.30
1565196 WATSON, DONALD MINOR JR WATSON, LAURIE MCKINNEY 212 E BROOK DR BOONE, NC 286073701	MV 2011	22394	01/04/2012			400	C02 G01	1.48 1.25
	PXH9175 TAX RELEASES SOLD/PLATE TURNED IN			C02	912		BOONE GENCO	2.73

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT	
1562601 WATSON, GEORGE DARREL 6787 OLD 421 SOUTH DEEP GAP, NC 28618	PP 2011	2238	01/04/2012			500	F10 G01	DGFIRE GENCO	.25 1.57
	562601999 TAX RELEASES DOUBLE BILLED			F10	936				1.82
1645304 WATSON, JAMES ANTHONY PO BOX 2371 BOONE, NC 286072371	MV 2011	31420	01/04/2012			7,740	F02 G01	BOFIRE GENCO	3.10 24.23
	ZWF8769 TAX RELEASES SOLD CAR			F02	931				27.33
1631077 WEST, KENNETH BERRY 139 FIFTH FAIRWAY BANNER ELK, NC 28604	MV 2011	3258	01/27/2012			618	C04 G01	SEVEN DEV GENCO	3.15 1.93
	WNH9280 TAX RELEASES PLATE TURNED IN			C04	1025				5.08
1724916 WHISTLE PIG ENTERPRISES L, LC 1555 DULATOWN RD LENOIR, NC 28645-8155	MV 2011	26771	01/23/2012			0	F12 G01	BRFIRE GENCO	1.75 10.96
	XX6205 TAX RELEASES CALDWELL			F12	1002				12.71
1177070 WILCOX, JUNIOR STEWART 1268 OLD 421 S PO BOX 2972 BOONE, NC 28607	MV 2011	31495	01/03/2012			9,266	F02 G01	BOFIRE GENCO	3.71 29.00
	ACY7884 TAX RELEASES SOLD VEHICLE			F02	909				32.71
1601395 WILSON, BRIAN CLARK 131 WINKLERS CRK RD APT 2 BOONE, NC 286077838	MV 2011	6870	01/04/2012			5,362	C02 G01	BOONE GENCO	19.84 16.78
	MVA1039 TAX RELEASES MOVED OUT OF STATE			C02	921				36.62
1600109 WILSON, PETER H WILSON, LINDA L 722 RIDGE RD BOONE, NC 28607	MV 2011	26850	01/17/2012			3,395	F02 G01	BOFIRE GENCO	1.36 10.63
	7414BP TAX RELEASES sold car			F02	973				11.99
1578407 WINEBARGER, SANDRA G 1628 SILVERSTONE RD ZIONVILLE, NC 28698	MV 2011	26878	01/04/2012			1,380	F06 G01	ZFIRE GENCO	.69 4.32
	AEW9204 REFUND RELEASE SOLD CAR			F06	916				5.01
1576623 WOOTEN, JAMES WILLIAM JR PO BOX 576 VALLE CRUCIS, NC 286910576	MV 2010	1418205	01/04/2012			4,223	G01 F07	G01 F07	13.22 2.11
	0073BP TAX RELEASES SOLD/PLATE TURNED IN			F07	914				15.33

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT
1728409 ZAFREN, DANIEL HILL 447 DAWN WARWICK RD FLEETWOOD, NC 28626-8400	MV 2011 TYX5239 TAX RELEASES ASHE	31625	01/05/2012	F10	946	0	F10 G01 DGFIRE GENCO	11.15 69.80 <hr/> 80.95
DETAIL SUMMARY	COUNT: 145		RELEASES - TOTAL			663,690		4,076.27

tyler
TECHNOLOGIES

01/31/2012 17:51
Kelvin.Byrd

WATAUGA COUNTY
RELEASES/REFS - 01/01/2012 TO 01/31/2012

PG 18
tncrprt

RELEASES - CHARGE SUMMARY

YEAR	CAT	CHARGE	AMOUNT	
2010	MV	C02	BOONE MV	33.84
2010	MV	F01	FOSCOE FIRE MV	.30
2010	MV	F02	BOONE FIRE MV	6.42
2010	MV	F06	ZIONVILLE FIRE MV	9.86
2010	MV	F07	COVE CREEK FIRE MV	2.70
2010	MV	F09	MEAT CAMP FIRE MV	.86
2010	MV	F10	DEEP GAP FIRE MV	5.01
2010	MV	G01	WATAUGA COUNTY MV	199.52
2010 TOTAL			258.51	
2011	RE	F04	BEAVER DAM FIRE RE	58.00
2011	RE	G01	WATAUGA COUNTY RE	511.76
2011	RE	GB	GREEN BOX RE	25.00
2011	RE	SWF	SOLID WASTE FEE	62.00
2011	PP	C02	BOONE PP	7.51
2011	PP	F01	FOSCOE FIRE PP	1.74
2011	PP	F02	BOONE FIRE PP	4.01
2011	PP	F06	ZIONVILLE FIRE PP	5.53
2011	PP	F07	COVE CREEK FIRE PP	5.56
2011	PP	F10	DEEP GAP FIRE PP	.25
2011	PP	G01	WATAUGA COUNTY PP	117.91
2011	PP	GB	GREEN BOX PP	25.00
2011	PP	LF	SOLID WASTE PP	62.00
2011	MV	C02	BOONE MV	334.52
2011	MV	C03	BLOWING ROCK MV	45.09
2011	MV	C04	SEVEN DEVILS MV	116.81
2011	MV	C05	BEECH MOUNTAIN MV	25.09
2011	MV	CF2	BOONE MV FEE	35.00
2011	MV	F01	FOSCOE FIRE MV	33.24
2011	MV	F02	BOONE FIRE MV	89.29
2011	MV	F04	BEAVER DAM FIRE MV	6.17
2011	MV	F05	STEWART SIMMONS FIRE MV	16.11
2011	MV	F06	ZIONVILLE FIRE MV	4.66
2011	MV	F07	COVE CREEK FIRE MV	16.25
2011	MV	F08	SHAWNEEHAW FIRE MV	17.33
2011	MV	F09	MEAT CAMP FIRE MV	10.01
2011	MV	F10	DEEP GAP FIRE MV	32.00
2011	MV	F11	TODD FIRE MV	1.66
2011	MV	F12	BLOWING ROCK FIRE MV	18.03
2011	MV	FS1	FOSCOE SERV DIST MV	.00
2011	MV	G01	WATAUGA COUNTY MV	2,127.60
2011	MV	MS1	BOONE MUNICIPAL SERV DIST MV	2.63
2011 TOTAL			3,817.76	
SUMMARY TOTAL			4,076.27	

tyler

01/31/2012 17:51
Kelvin.Byrd

WATAUGA COUNTY
RELEASES/REFS - 01/01/2012 TO 01/31/2012

PG 19
tncrapt

RELEASES - JURISDICTION SUMMARY

JUR	YEAR	CHARGE	AMOUNT
C02	2010	C02 BOONE MV	33.84
C02	2010	G01 WATAUGA COUNTY MV	28.62
C02	2011	C02 BOONE MV	337.40
C02	2011	CF2 BOONE MV FEE	30.00
C02	2011	G01 WATAUGA COUNTY MV	285.43
C02	TOTAL		715.29
C03	2011	C03 BLOWING ROCK MV	45.09
C03	2011	G01 WATAUGA COUNTY MV	200.53
C03	TOTAL		245.62
C04	2011	C04 SEVEN DEVILS MV	116.81
C04	2011	G01 WATAUGA COUNTY MV	71.69
C04	TOTAL		188.50
C05	2011	C05 BEECH MOUNTAIN MV	25.09
C05	2011	G01 WATAUGA COUNTY MV	12.27
C05	TOTAL		37.36
F01	2010	F01 FOSCOE FIRE MV	.30
F01	2010	G01 WATAUGA COUNTY MV	1.88
F01	2011	F01 FOSCOE FIRE MV	34.98
F01	2011	G01 WATAUGA COUNTY MV	218.81
F01	TOTAL		255.97
F02	2010	F02 BOONE FIRE MV	6.42
F02	2010	G01 WATAUGA COUNTY MV	50.20
F02	2011	F02 BOONE FIRE MV	93.30
F02	2011	G01 WATAUGA COUNTY MV	729.98
F02	TOTAL		879.90
F04	2011	F04 BEAVER DAM FIRE MV	64.17
F04	2011	G01 WATAUGA COUNTY MV	401.73
F04	2011	GB GREEN BOX RE	25.00
F04	2011	SWF SOLID WASTE FEE	62.00
F04	TOTAL		552.90
F05	2011	F05 STEWART SIMMONS FIRE MV	16.11
F05	2011	G01 WATAUGA COUNTY MV	100.83
F05	TOTAL		116.94
F06	2010	F06 ZIONVILLE FIRE MV	9.86
F06	2010	G01 WATAUGA COUNTY MV	61.67
F06	2011	F06 ZIONVILLE FIRE MV	10.19
F06	2011	F07 COVE CREEK FIRE PP	.50
F06	2011	G01 WATAUGA COUNTY MV	63.82
F06	TOTAL		146.04

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01/31/2012 17:51
Kelvin.Byrd

WATAUGA COUNTY
RELEASES/REFS - 01/01/2012 TO 01/31/2012

PG 20
tncrapt

RELEASES - JURISDICTION SUMMARY

JUR	YEAR	CHARGE	AMOUNT
F07	2010	F07 COVE CREEK FIRE MV	2.70
F07	2010	G01 WATAUGA COUNTY MV	16.89
F07	2011	F07 COVE CREEK FIRE MV	21.31
F07	2011	G01 WATAUGA COUNTY MV	133.30
F07	2011	GB GREEN BOX PP	25.00
F07	2011	LF SOLID WASTE PP	62.00
F07 TOTAL			261.20
F08	2011	F08 SHAWNEEHAW FIRE MV	17.33
F08	2011	G01 WATAUGA COUNTY MV	108.46
F08 TOTAL			125.79
F09	2010	F09 MEAT CAMP FIRE MV	.86
F09	2010	G01 WATAUGA COUNTY MV	8.92
F09	2011	F09 MEAT CAMP FIRE MV	10.01
F09	2011	G01 WATAUGA COUNTY MV	104.42
F09 TOTAL			124.21
F10	2010	F10 DEEP GAP FIRE MV	5.01
F10	2010	G01 WATAUGA COUNTY MV	31.34
F10	2011	F10 DEEP GAP FIRE MV	32.25
F10	2011	G01 WATAUGA COUNTY MV	201.83
F10 TOTAL			270.43
F11	2011	F11 TODD FIRE MV	1.66
F11	2011	G01 WATAUGA COUNTY MV	7.42
F11 TOTAL			9.08
F12	2011	F12 BLOWING ROCK FIRE MV	18.03
F12	2011	G01 WATAUGA COUNTY MV	112.84
F12 TOTAL			130.87
FS1	2011	FS1 FOSCOE SERV DIST MV	.00
FS1	2011	G01 WATAUGA COUNTY MV	.00
FS1 TOTAL			.00
MS1	2011	C02 BOONE MV	4.63
MS1	2011	CF2 BOONE MV FEE	5.00
MS1	2011	G01 WATAUGA COUNTY MV	3.91
MS1	2011	MS1 BOONE MUNICIPAL SERV DIST MV	2.63
MS1 TOTAL			16.17
SUMMARY TOTAL			4,076.27

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AGENDA ITEM 11:

MISCELLANEOUS ADMINISTRATIVE MATTERS

***A. Proposed Resolution Supporting Road Improvements and Upgrades to Roby Greene Road
(SR 1331B)***

MANAGER'S COMMENTS:

Per Board direction, a resolution has been prepared for adoption in support of road improvements and upgrades to Roby Greene Road.

Board action is requested.

STATE OF NORTH CAROLINA

COUNTY OF WATAUGA

DRAFT

**RESOLUTION
SUPPORTING ROAD IMPROVEMENTS AND UPGRADES
TO ROBY GREENE ROAD (SR 1331B)**

WHEREAS, the North Carolina Department of Transportation held a public hearing to allow citizen comment on the Secondary Road Improvements Program for FY 2012; and

WHEREAS, the Program indicated Roby Greene Road as the number one (1) priority for rural paving in Watauga County; and

WHEREAS, this road has been identified as a priority project in the County for several years and serves a crucial importance to residents for every aspect of daily living, including but not limited to: access, employment, job development, safety, public services, school bus transportation, and mail delivery, and is a key element in the road network for the greater community; and

WHEREAS, a strong contingent of citizens voiced their perilous experiences traveling on Roby Greene Road and emphasized the need for significant changes to ensure travelers' safety; and

WHEREAS, Roby Greene Road has suffered severe deterioration over time resulting in the need for substantial improvements, upgrades, and maintenance and repair of the existing road bed.

NOW, THEREFORE, BE IT RESOLVED, that the Watauga County Board of Commissioners hereby requests that the North Carolina Department of Transportation exhaust all possible means, be it through regularly budgeted, discretionary or any other funds available, to secure the necessary resources to rebuild and restore Roby Greene Road to a fully functioning road with the required improvements and upgrades to ensure a safe traveling experience.

ADOPTED this the 7th day of February, 2012.

Nathan A. Miller, Chairman
Watauga County Board of Commissioners

ATTEST:

Anita J. Fogle, Clerk to the Board

AGENDA ITEM 11:

MISCELLANEOUS ADMINISTRATIVE MATTERS

B. Proposed Resolution Establishing the Register of Deeds Salary

MANAGER'S COMMENTS:

Per Statute, prior to the filing period for the fall elections, the Board must establish the salary for the Register of Deeds in order for filing fees to be determined as listed in the draft resolution. The entry level salary on the County's current pay plan is \$49,663.

Board action is required to set the salary by adopting the proposed resolution.

DRAFT

STATE OF NORTH CAROLINA

COUNTY OF WATAUGA

**A RESOLUTION ESTABLISHING
THE REGISTER OF DEEDS SALARY**

WHEREAS, the present Watauga County Register of Deeds salary is \$63,319; and

WHEREAS, Watauga County Commissioners desire to adopt a new salary for the office of Register of Deeds pursuant to North Carolina Statutes 153A-92 at a rate of \$49,663 for the next term of office of the then Register of Deeds; and

WHEREAS, this resolution is made more than fourteen (14) days before the last day of filing notice of candidacy for this office.

NOW THEREFORE, BE IT RESOLVED, that \$49,663 shall be the annual salary for the office of the Register of Deeds when such person elected to the office in the next general election takes said office.

ADOPTED this the 7th day of February, 2012.

Nathan A. Miller, Chairman
Watauga County Board of Commissioners

ATTEST:

(SEAL)

Anita J. Fogle
Clerk to the Board

Part 4. Personnel.

§ 153A-92. Compensation.

(a) Subject to the limitations set forth in subsection (b) of this section, the board of commissioners shall fix or approve the schedule of pay, expense allowances, and other compensation of all county officers and employees, whether elected or appointed, and may adopt position classification plans.

(b) In exercising the authority granted by subsection (a) of this section, the board of commissioners is subject to the following limitations:

- (1) The board of commissioners may not reduce the salary, allowances, or other compensation paid to an officer elected by the people for the duties of his elective office if the reduction is to take effect during the term of office for which the incumbent officer has been elected, unless the officer agrees to the reduction or unless the Local Government Commission pursuant to Chapter 159, Article 10, orders a reduction.
- (2) During the year of a general election, the board of commissioners may reduce the salary, allowances, or other compensation of an officer to be elected at the general election only in accordance with this subdivision. The board of commissioners shall by resolution give notice of intention to make the reduction no later than 14 days before the last day for filing notice of candidacy for the office. The resolution shall set forth the reduced salary, allowances, and other compensation and shall provide that the reduction is to take effect at the time the person elected to the office in the general election takes office. Once adopted, the resolution may not be altered until the person elected to the office in the general election has taken office. The filing fee for the office shall be determined by reference to the reduced salary.
- (3) If the board of commissioners reduces the salaries, allowances, or other compensation of employees assigned to an officer elected by the people, and the reduction does not apply alike to all county offices and departments, the elected officer involved must approve the reduction. If the elected officer refuses to approve the reduction, he and the board of commissioners shall meet and attempt to reach agreement. If agreement cannot be reached, either the board or the officer may refer the dispute to arbitration by the senior resident superior court judge of the superior court district or set of districts as defined in G.S. 7A-41.1 in which the county is located. The judge shall make an award within 30 days after the day the matter is referred to him. The award may extend for no more than two fiscal years, including the fiscal year for which it is made.
- (4) The board of commissioners shall fix their own salaries, allowances, and other compensation in accordance with G.S. 153A-28.
- (5) The board of commissioners shall fix the salaries, allowances and other compensation of county employees subject to the State Personnel Act according to the procedures set forth in Chapter 126. The board may make these employees subject to a county position classification plan only as provided in Chapter 126.

(c) In counties with a county manager, the manager is responsible for preparing position classification and pay plans for submission to the board of commissioners and for administering the pay plan and any position classification plan in accordance with general policies and directives adopted by the board. In counties without a county manager, the board of commissioners shall appoint or designate a personnel officer, who shall then be responsible for administering the pay plan and any position classification plan in accordance with general policies and directives adopted by the board.

(d) A county may purchase life insurance or health insurance or both for the benefit of all or any class of county officers and employees as a part of their compensation. A county may provide other fringe benefits for county officers and employees. (1927, c. 91, s. 8; 1953, c. 1227, ss. 1-3; 1969, c. 358, s. 1; c. 1017; 1973, c. 822, s. 1; 1987 (Reg. Sess., 1988), c. 1037, s. 122.)

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AGENDA ITEM 11:

MISCELLANEOUS ADMINISTRATIVE MATTERS

C. Tentative Agenda for Annual Pre-Budget Retreat

MANAGER'S COMMENTS:

A draft agenda for the Board's retreat scheduled for February 24th and 25th is enclosed for Board review. The agenda may change between now and the retreat based on input from the Board or the County Manager receiving additional items for consideration. County staff will start the process of preparing and compiling the information for the retreat. Please feel free to contact me during the upcoming weeks should you have any questions or require additional information.

**TENTATIVE RETREAT AGENDA
WATAUGA COUNTY BOARD OF COMMISSIONERS**

DRAFT

**COMMISSIONERS' CONFERENCE ROOM
WATAUGA COUNTY ADMINISTRATION BUILDING, BOONE, NC
FEBRUARY 24 – 25, 2012**

TIME	TOPIC	PRESENTER	PAGE
FRIDAY, FEBRUARY 24, 2012			
12:00 PM	LUNCH & OPENING REMARKS	MR. DERON GEOUQUE	
12:30 PM	REVIEW OF CURRENT (FY 2012) BUDGET	MS. MARGARET PIERCE	
	A. Revenues		
	B. 1) Sales & Property Taxes		
	2) Departmental (Register of Deeds, Planning & Inspections, Parks & Recreation, and POA)		
	C. Expenditures		
	D. Fund Balance		
	E. Debt Service Report		
1:00 PM	DISCUSSION OF FY 2013 BUDGET	MS. MARGARET PIERCE	
	A. Budget Drivers		
	B. Expenditures		
	C. Funding of Non-County Departments		
	D. Special Appropriations (Private Non-Profits)		
	E. Schedule		
2:00 PM	BREAK		
2:15 PM	REVIEW OF CURRENT CAPITAL IMPROVEMENT PLAN (CIP)	MR. DERON GEOUQUE & MR. ROBERT MARSH	
	A. Current CIP Status Report		
	B. Pool Status Report		
	C. Future Projects for Consideration		
	D. AppalCART Building		
	E. Daymark Lease		
2:45 PM	TAX MATTERS	MR. KELVIN BYRD	
	A. Tax Reval Report		
	B. Tax Base Projections		
3:00 PM	SCHOOL BOARD FUNDING ISSUES		
	A. Schools' Capital Improvement Plan		
	B. FY 2013 Funding Needs		
3:45 PM	EMS REPORT/DISCUSSION	MR. CRAIG SULLIVAN	
4:15 PM	LANDFILL ENERGY PROJECTS DISCUSSION		
	A. Report on Recycling and Methane to Electricity Project	MS. LISA DOTY	
	B. Review of Solar Energy Project	MR. GED MOODY	
5:00 PM	HEALTH DEPARTMENT REPORT/ISSUES	MS. BETH LOVETTE	
5:30 PM	WRAP UP, GOALS & OBJECTIVES, BOARD DIRECTIVES		
6:00 PM	RECESS UNTIL SATURDAY, FEBRUARY 25, 2012 AT 9:00 AM		

TIME	TOPIC	PRESENTER	PAGE
SATURDAY, FEBRUARY 25, 2012			
9:00 AM	WATAUGA COMMUNITY HOUSING TRUST REPORT	MR. SCOTT EGGERS	
9:15 AM	ECONOMIC DEVELOPMENT COMMISSION (EDC) REPORT/DISCUSSION	MR. KEITH HONEYCUTT AND MR. JOE FURMAN	
9:30 AM	PLANNING AND INSPECTIONS MATTERS	MR. JOE FURMAN	
10:00 AM	TOURISM DEVELOPMENT AUTHORITY (TDA)	MR. ROB HOLTON, MR. WRIGHT TILLEY, AND MR. ERIC WOOLRIDGE	
10:45 AM	CONSOLIDATED DISPATCH	VICE-CHAIRMAN VINCE GABLE	
11:30 AM	MISCELLANEOUS & COMMISSIONER MATTERS	MR. DERON GEOUQUE	
	A. A Policy to Provide Preference to Local Vendors in Purchasing of Equipment and Supplies.		
	B. Courthouse Security Future Projects for Consideration		
	C. State Issues		
11:45 AM	WRAP UP, GOALS & OBJECTIVES, BOARD DIRECTIVES		
12:00 PM	ADJOURN		

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AGENDA ITEM 11:

MISCELLANEOUS ADMINISTRATIVE MATTERS

D. Incident Command System Classes

MANAGER'S COMMENTS:

Mr. Seth Norris is requesting the Board establish a time for training regarding the incident command system. The training will take approximately 2 hours and is for elected officials and municipal and county management.

Once a date is established local government officials will be notified. There is no cost to the County. Staff requests direction from the Board.

From: Deron.Geouque
Sent: Friday, January 20, 2012 4:33 PM
To: Seth Norris
Cc: Anita.Fogle
Subject: RE: G-402 ICS for Agency Executives

Thank you Seth. I will provide the information at the next Board meeting scheduled for February 7, 2012, at 8:00 AM and let you know what time they set.

Sincerely,

Deron Geouque
Watauga County Manager
814 West King Street
Boone, NC 28607
(P) 828-265-8000
(F) 828-264-3230
Email Deron.Geouque@watgov.org

From: Seth Norris [<mailto:norrissa@appstate.edu>]
Sent: Friday, January 20, 2012 4:13 PM
To: Deron.Geouque
Cc: Steve.Sudderth
Subject: G-402 ICS for Agency Executives

Deron,

Thanks again for considering the course. I will let you all determine the best time for the training which takes about 2 hours. The best time for me is in late February or March, probably Weds, Thurs, or Fridays in the afternoon. Below are the course objectives to give you and the commissioners a better idea of the content:

- **Describe the Incident Command System (ICS).**
- **Describe the various ways ICS can be applied.**
- **Define the role of an Executive/Senior Official relative to the ICS.**
- **Describe the major responsibilities of an Executive/ Senior Official as related to an incident.**
- **Demonstrate basic familiarity with ICS terminology.**
- **Describe the basic organization of ICS and know the functional responsibilities of the Command and General Staffs.**
- **Describe issues that influence incident complexity and the tools available to analyze complexity.**
- **Describe the differences between on-incident ICS organizations and activities and the activities accomplished by Emergency Operations Centers (EOCs), Area Commands, and Multiagency Coordination Systems (MACS).**
- **Explain the administrative, logistical, financial, and reporting implications of large incident operations.**
- **Describe the sources of information regarding the incident and how to access them.**
- **Describe types of agency(ies) policies and guidelines that influence management of incident or event activities.**

Just let me know what you all determine or if you have any questions. I will gladly let the other managers know about the opportunity once the date is established.

Take care and have a great weekend,
Seth

AGENDA ITEM 11:

MISCELLANEOUS ADMINISTRATIVE MATTERS

E. Boards & Commissions

MANAGER'S COMMENTS:

Two terms on the Watauga County Tourism Development Authority (WCTDA) are set to expire at the end of February 2012. Both Mr. Holton and Mr. Hall are willing to continue to serve if so appointed. Bios for Ms. Kim Rogers and Mr. Jim Neustadt are included for your review as they were nominated at the last Board meeting.

Also, per TDA Bylaws, the TDA Chairman is due for appointment by the Board of Commissioners.

The above are second readings and, therefore, action may be taken, if so desired.



January 10, 2012

TO: The Watauga County Board of Commissioners
Deron Geouque, County Manager

FROM: Wright Tilley - TDA Executive Director *W. Tilley*

RE: Appointments to Watauga County TDA Board

The current 3-year terms held by Rob Holton and Mike Hall on the Watauga County Tourism Development Authority Board will expire at the end of February 2012.

Both Mr. Holton and Mr. Hall have expressed a willingness and desire to continue to serve on the TDA board. On behalf of the TDA board, we respectfully encourage you to consider re-appointing them to continue their service on this board.

Rob Holton, the owner of Holton Mountain Rentals, holds one of the board seats that must be occupied by someone whose business collects the occupancy tax. Rob is also currently serving as the Chairman of the TDA Board. Mike Hall, owner of Bandanas Restaurant, helps us fulfill the requirement of having at least 50% of the board who are active in the promotion of travel and tourism in the district.

Our enabling legislation requires that at least 1/3 of the members of the board must be individuals who are affiliated with businesses that collect the occupancy tax. It further requires that 1/2 of the members must be individuals that are active in the promotion of travel and tourism in the district.

In addition to taking action to fill the two board seats, our bylaws also call for the County Commissioners to appoint one of the TDA board members as Chairman. Attached is a list of current TDA board members. If you have any questions, please feel free to contact me at 828-266-1345 or via email at wtilley@exploreboonearea.com

Thank you for your consideration.



**Watauga County District U
Tourism Development Authority Board**

Chairman:	Rob Holton	Owner, Holton Mountain Rentals
Vice Chair:	Tony Gray	Retired – Appalachian State University Christmas Tree Grower
	Mike Hall	Owner, Bandana's Restaurant & Catering
	Lisa Martin	Mast General Store
	Connie Baird	Baird Investments / Boone Vacation Cabins
	Matt Vincent	Vincent Properties



January 19, 2012

Nathan Miller, Chairman
Watauga County Commissioners

Dear Nathan:

I am delighted to be in consideration for a board seat for the Watauga County TDA. Having been involved in the vacation rental business since 1978, I feel lead to not only collect this tax but help administer where the monies can benefit this gorgeous area the most in guaranteeing continued tourism. Watauga County needs to be the buzz that vacationers talk about to friends and neighbors in their home towns, long after their trips.

Here are my qualifications:

1978 to 1995-I worked in all aspects of Jenkins Realtors for my parents from cleaning houses, secretary duties to the Sales Dept, managing the cleaning company, property and association management.

1995 to Present-My sister (Pam Vines) and I bought Jenkins Realtors and created Jenkins Realtors, Inc., Jenkins Rentals, and P. K. Properties LLC. We manage 85 vacation rental properties, 45 long term properties, 16 home owner associations (213 units), a cleaning company, and a maintenance company.

Civic involvement

- 1996-2000 NC Real Estate Commission-Committee charged with creating the NC Vacation Rental Act
- 1994-1997 Board member Blowing Rock Chamber of Commerce, High Country Host
- 1991-2000-Board member, President, The Blowing Rock Stage Company
- 2000-2008-Board member, Treasurer The Blowing Rock Community Arts Center Foundation
- 2001-President The Rotary Club of Blowing Rock
- 1985-to present The Blowing Rock Trout Derby Committee

Church

- Member and elder- Ruple Memorial Presbyterian Church

My experience is extensive in creating and documenting, budgets, bids and grants. I have learned first hand that being able to sustain a project is as important as creating it.

Thanks again for this opportunity, I hope I can help. Feel free to contact me with any questions kim@jenkinsrentals.com or 828-295-9888 work or 828-262-9994 home.

Sincerely,



Kim Rogers
Owner / Broker
Jenkins Rentals

From: Deron.Geouque
Sent: Monday, January 23, 2012 12:27 PM
To: Anita.Fogle
Subject: FW: Bio Request
Attachments: Watauga Co TDA[1].pdf

2-7-2012 Boards and Commissions

Deron Geouque
Watauga County Manager
814 West King Street
Boone, NC 28607
(P) 828-265-8000
(F) 828-264-3230
Email Deron.Geouque@watgov.org

From: Nathan Miller
Sent: Monday, January 23, 2012 11:52 AM
To: Deron.Geouque
Subject: FW: Bio Request

From: Jim Neustadt [jimn@logcabinrentals.com]
Sent: Wednesday, January 18, 2012 6:25 PM
To: Nathan Miller
Subject: Bio Request

Nathan, per your request:
Resident Valle Crucis for past ten years
Had previously lived in Valle Crucis/Blowing Rock for an additional five years
Licensed North Carolina Real Estate Broker for nine years
Current owner Valle Crucis Log Cabin Rentals, Inc. (purchased business in 2002)
Business is involved in property management, vacation rentals and real estate sales
Our Company has contributed revenues of over \$300,000 to the TDA

Most recent previous employment:
Sr. VP Marketing and Advertising Michaels Arts and Crafts, Irving TX (1999-2002)
VP Advertising Lowes Home Improvement, Wilkesboro NC (1994-1999)
My work experience has been in Sr. level marketing and advertising management positions for billion dollar multi-unit retail chains
I have been responsible for Marketing budgets exceeding \$350,000,000 annually
I believe my business experience, both past and present, is directly transferrable to the needs of the TDA

Nathan, please let me know if this is sufficient for your needs.
My best,
Jim

Jim Neustadt
Owner/Broker/Realtor
Valle Crucis Log Cabin Rentals and Sales

PO Box 554
Valle Crucis, NC 28691
Tel 828-963-7774
Fax 828-963-6209
www.logcabinrentals.com

020712 BCC Meeting

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AGENDA ITEM 11:

MISCELLANEOUS ADMINISTRATIVE MATTERS

F. Announcements

MANAGER'S COMMENTS:

NCACC is requesting the submission of the County's federal issues of statewide importance and the review of the 2011 Congressional issues for North Carolina.

The Watauga Drug Treatment Court Team invites you to observe an upcoming session of Drug Treatment Court. Upcoming sessions are scheduled for Wednesday, February 15, 2012, at 3:30 P.M. and Wednesday, February 29, 2012, at 3:30 P.M. in the small courtroom.

Watauga County Public Library has invited the Board to a dinner on Tuesday, February 21, 2012, from 4:00 P.M. to 5:00 P.M. to learn about the library, economic development, technological updates, and more. If you wish to attend, please inform Anita who will be happy to RSVP on your behalf.

The Annual Pre-Budget Retreat is scheduled for February 24 (12:00 P.M.–6:00 P.M.) & 25, 2012, (9:00 A.M.–12:00 P.M.).

The 2012 Watauga County Economic Development Summit is scheduled for Wednesday, March 7, 2012, from 1:00–5:00 P.M. at the Blowing Rock Art and History Museum in Downtown Blowing Rock.

Anita.Fogle

From: Deron.Geouque
Sent: Friday, January 20, 2012 4:36 PM
To: Anita.Fogle
Subject: FW: County Federal Issues - Please Respond by Feb. 10

2-7-2012 announcements

Deron Geouque
 Watauga County Manager
 814 West King Street
 Boone, NC 28607
 (P) 828-265-8000
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 Email Deron.Geouque@watgov.org

From: Rebecca Troutman [mailto:rebecca.troutman@ncacc.org]
Sent: Friday, January 20, 2012 12:38 PM
To: Chair Commissioners
Cc: County Managers; County Clerks; NCACC-Legislative
Subject: County Federal Issues - Please Respond by Feb. 10

To: County Chairmen
cc: County Managers, County Clerks

**ISSUES:**

- NCACC solicits your county's help in identifying those federal issues of statewide importance to all counties
- NCACC asks that you review NCACC's 2011 Congressional Issues of Interest to Counties and NACo's 2012 Legislative Priorities
- NCACC's Board of Directors will vote Feb. 22 to determine which issues to present to N.C. Congressional delegation during NACo's Legislative Conference, March 3-7, Washington, D.C.

ACTIONS NEEDED:

- Please submit your county's federal issues of statewide importance to all counties to NCACC by Friday, Feb. 10 (see below for submission instructions)
- Please plan to attend N.C. Congressional Breakfast on Wednesday, March 7, Washington, D.C.

NCACC solicits your county's help in identifying those federal issues of statewide importance to all counties.

In preparation for the upcoming **NACo Legislative Conference** and the scheduled Congressional breakfast with North Carolina delegates, NCACC is soliciting **federal issues** of interest to your county that are **statewide** in nature.

Each year, Association staff members compile Congressional issue papers for distribution to our Congressional delegation and their staff. These issue papers, adopted by the NCACC Board of Directors, identify and summarize our counties' concerns regarding specific federal legislation and administrative rule-making that impact North Carolina county government.

Please submit your county's federal issues of statewide importance to NCACC by Friday, Feb. 10.

We recognize that there are many potential issues, but we ask that you submit only 1-2 issues of the highest priority so that we may better focus our efforts.

Please fill out the **issues form** below for each proposal, and reply to this email with your county's proposals. Prospective federal issues will be presented to the NCACC Board of Directors at its Feb. 22 meeting for consideration and approval for inclusion into the 2012 Congressional issues packet. The Board will assess each issue based on its statewide county government impact and whether Congressional action is imminent.

NCACC asks that you review NCACC's 2011 Congressional Issues of Interest to Counties and NACo's 2012 Legislative Priorities.

For your information, the NCACC Board of Directors approved the following statewide federal issues for 2011. Please find these listed below, along with a legislative status of each issue, based on any action by the 112th Congress:

2011 Congressional Issues for North Carolina Counties

- **Issue: Oppose Federal Budget Cuts to Counties without Corresponding Cuts in Federal Mandates**
 - **Status:** The Budget Control Act of 2011 sets deficit reduction targets of \$841 billion for discretionary spending caps and \$1.2 trillion for the Super Committee's deficit reduction plan. Since the committee could not reach consensus, and barring further congressional action, sequestration is scheduled to begin Jan 2, 2013, leading to automatic across-the-board spending cuts of \$2 trillion over 9 years, half from defense and half from non-defense discretionary spending. 14% cuts are projected for 2013, unless further legislative action is taken.
- **Issue: Support County Government Preference for Service Delivery**
- **Issue: Support Remote Sales Tax Collection**
 - **Status:** 3 bills have been introduced to move forward collection of remote sales taxes, taxes already due and payable. The Main Street Fairness Act (S. 1452) and its House Companion H.R. 2701 would codify the Streamlined Sales Tax Agreement. The Marketplace Fairness Act (S. 1832) provides 2 options for remote sales tax collection: the Streamlined Sales and Use Tax Agreement and an alternative where states may collect after adopting minimum simplification requirements. NC is in compliance with the SSTA and has been a governing board member since inception.
- **Issue: Oppose New EPA Ozone Standards for Primary and Secondary Designations**
 - **Status:** President Obama instructed EPA to withdraw the draft Ozone National Ambient Air Quality Standards in early September, awaiting an update to the 2006 science review for reconsideration of the ozone standard in 2013.
- **Issue: Oppose Federal Preemption of State Law Regulating Collective Bargaining of Public Employees**
 - **Status:** No legislation to preempt public employee collective bargaining has moved.

Also for your information, please find following NACo's 2012 legislative priorities, as adopted by the NACo Board of Directors at its December 2011 meeting.

- Promote a balanced approach to deficit reduction. Protect county programs during budget deficit reduction and appropriation considerations. Balance includes looking at discretionary, defense and entitlement spending, and revenue enhancements.
- Support the reauthorization of the Farm Bill and Priority for Rural Development Programs.
- Work to eliminate the federal health benefits "inmate exception" for persons in county jails and detention centers who are in custody pending disposition of charges.
- Maintain the original federal-state-local partnership for financing and delivering Medicaid and social services, and oppose measures that will shift Medicaid and social service costs to counties.

- Maintain full funding for Payments in Lieu Of Taxes (PILT), Secure Rural Schools (SRS) programs and Community Self-Determination Act.
- Reauthorize aviation and surface transportation programs.
- Oppose unfunded mandates and preemptions.

Please plan to attend N.C. Congressional Breakfast on Wednesday, March 7, Washington, D.C.

As a reminder, the NACo Legislative Conference will be held Saturday - Wednesday, March 3-7, at the Washington Hilton Hotel in Washington, D.C. Please complete conference and hotel registrations as soon as possible to ensure your stay at the Washington Hilton.

NACo's conference schedule should allow convenient participation by our Congressional delegation. The opening educational sessions are on Monday, March 5, beginning at 9 a.m., with the concluding event being visits to Capitol Hill on Wednesday morning. Pre-conference workshops, steering committees and affiliate meetings will start on Saturday, March 3.

NCACC members will caucus on Monday, March 5, from 4 – 5:30 p.m. NCACC will host a state SRS reception for N.C. attendees from 5:30 – 6:30 p.m.

On Wednesday, March 7, the NCACC will sponsor its annual Congressional Breakfast from 8 - 9:30 a.m. in the Capitol Hill Club, 300 First Street SE.

We also suggest that our commissioners schedule individual meetings with their Congressional delegation following the statewide breakfast, or at other times convenient to your representatives. Registration materials for the breakfast will be sent out in early February, but please schedule your conference travel plans to accommodate the breakfast and Capitol Hill visits.

2012 Congressional Issues Proposal Form

Name: _____ County: _____

Issue: _____

Description: _____

Has a bill been introduced in Congress? _____ Yes _____ No

If yes, please provide bill number. Senate Bill No.: _____ House Bill No.: _____

(Please answer the following questions)

How does this issue impact counties?

Does this issue contain a cost to counties? _____ Yes _____ No

Please explain: _____

Does this issue impact county authority? Yes No

Please explain: _____



Rebecca Troutman
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Deron.Geouque

From: Melissa Johnson <blueridgedisp40@bellsouth.net>
Sent: Monday, January 30, 2012 2:12 PM
To: Nathan Miller; Deron.Geouque; Jim Deal; Margaret Pierce; David Blust; Tim.Futrelle; Vince Gable
Subject: Watauga Drug Treatment Court

The Watauga Drug Treatment Court Team would like to invite you to observe an upcoming session of Drug Treatment Court. The next three sessions are this Wednesday, February 1st, at 3:30; Wednesday, February 15th, at 3:30 and Wednesday February 29th, at 3:30. Court is usually in the small courtroom – we will post a notice if it is being held somewhere else. This Wednesday we do have two folks graduating, so there will be refreshments immediately following court. Please call me or Marisa if you have any questions. We look forward to seeing you.

Regards,

Melissa Johnson
Mediation and Restorative Justice Center
(828) 264-3040

*JOIN US FOR A DINNER
DATE WITH THE LIBRARY!*

*Learn about the library and
economic development, techno-
logical updates, and more.
Please RSVP with Monica
mcaruso@arlibrary.org
264-8784 by February 17th.*

Appalachian
REGIONAL LIBRARY
WILKES ASHE WATAUGA



Tues., February 21st

4:00 - 5:00 PM

*Watauga County
Public Library,
140 Queen Street, Boone
Meeting Room*





SAVE THE DATE!!!!

**2012 Watauga County Economic Development Summit
Blowing Rock Art and History Museum
Downtown Blowing Rock
March 7, 2012**

1:00 PM – 5:00 PM

Agenda:

**Overview of the Watauga Economy
Presentation of EDC's Targeted Marketing Analysis
Significant Drivers of Economic Growth
Challenges and Opportunities Facing Local Organizations
Where to Focus Economic Development Efforts
Areas and Opportunities for Increased Cooperation**

Sponsored By

**BREMCO
New River Light & Power
Advantage West**

Plenty of Parking on Site

Snow Date: March 21, 2012

For additional information contact:

Watauga County Economic Development Office

828-264-3082

AGENDA ITEM 12:

PUBLIC COMMENT

MANAGER'S COMMENTS:

Time has been reserved to allow citizen comment to address the Board for any area of interest or concern.

AGENDA ITEM 13:

BREAK

AGENDA ITEM 14:

CLOSED SESSION

Attorney/Client Matters, per G. S. 143-318.11(a)(3)