

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

**TUESDAY, FEBRUARY 4, 2014  
8:30 A.M.**

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

<b>TIME</b>	<b>#</b>	<b>TOPIC</b>	<b>PRESENTER</b>	<b>PAGE</b>
8:30	1	CALL REGULAR MEETING TO ORDER		
	2	APPROVAL OF MINUTES: January 21, 2014, Regular Meeting January 21, 2014, Closed Session		1
	3	APPROVAL OF THE FEBRUARY 4, 2014 AGENDA		11
8:35	4	PROPOSED PROCLAMATION HONORING THE 50TH ANNIVERSARY OF CALDWELL COMMUNITY COLLEGE AND TECHNICAL INSTITUTE (CCC&TI)	DR. KEN BOHAM	13
8:40	5	SMOKEY MOUNTAIN CENTER MATTERS A. Presentation of Quarterly Report B. Presentation of Annual Audited Financial Report	MS. LISA SLUSHER	15 19
8:45	6	PRESENTATION OF APPALACHIAN DISTRICT HEALTH DEPARTMENT'S ANNUAL REPORT AND STATE OF THE COUNTY HEALTH REPORT	MS. BETH LOVETTE	75
8:50	7	PROPOSED APPOINTMENT OF HOME AND COMMUNITY CARE BLOCK GRANT (H&CCBG) ADVISORY COMMITTEE AND LEAD AGENCY	MS. ANGIE BOITNOTTE	115
8:55	8	TAX MATTERS A. Monthly Collections B. Refunds & Releases	MR. LARRY WARREN	119 121
9:00	9	PROPOSED AMENDMENTS TO THE FOLLOWING ORDINANCES AS RECOMMENDED BY THE WATAUGA COUNTY PLANNING BOARD: A. Ordinance to Regulate High Impact Land Uses B. Flood Damage Prevention Ordinance C. Ordinance to Regulate Junkyards and Automotive Graveyards D. Ordinance to Regulate Wind Energy Systems E. Ordinance to Govern Structures on Land Adjacent to National Park Service Land F. Ordinance to Govern Subdivisions & Multi-Unit Structures G. Ordinance to Regulate Signs H. Height of Structures Ordinance I. Manufactured Home Parks Ordinance	MR. JOE FURMAN	123

TIME	#	TOPIC	PRESENTER	PAGE
9:05	10	MISCELLANEOUS ADMINISTRATIVE MATTERS	MR. DERON GEOUQUE	
		A. Proposed Amendments to the Ambulance Franchise Agreement		145
		B. Proposed Lease for Probation and Parole		155
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9:10	11	PUBLIC COMMENT		188
10:10	12	BREAK		188
10:15	13	CLOSED SESSION		188
		Attorney/Client Matters – G. S. 143-318.11(a)(3)		
		Land Acquisition – G. S. 143-318.11(a)(5)(i)		
10:30	14	ADJOURN		

**AGENDA ITEM 2:**

**APPROVAL OF MINUTES:**

January 21, 2014, Regular Meeting  
January 21, 2014, Closed Session Minutes

**DRAFT**

**MINUTES**  
**WATAUGA COUNTY BOARD OF COMMISSIONERS**  
**TUESDAY, JANUARY 21, 2014**

The Watauga County Board of Commissioners held a regular meeting on Tuesday, January 21, 2014, at 5:30 P.M. in the Commissioners' Board Room of the Watauga County Administration Building, Boone, North Carolina.

PRESENT: Nathan Miller, Chairman  
David Blust, Vice-Chairman  
Billy Kennedy, Commissioner  
John Welch, Commissioner  
Stacey "Four" Eggers, IV, County Attorney  
Deron Geouque, County Manager  
Anita J. Fogle, Clerk to the Board

*[Clerk's Note: Commissioner Yates was not present due to a prior commitment.]*

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

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

**APPROVAL OF MINUTES**

Chairman Miller called for additions and/or corrections to the December 17, 2013, regular meeting minutes.

Chairman Miller clarified that Vice-Chairman's vote was counted as an "Aye" for the below vote and the additional statement (in bold) was added in the Clerk's Note:

Commissioner Kennedy, seconded by Commissioner Yates, moved to accept the additional FY 2014 Senior Health Insurance Program (SHIIP) grant funds in the amount of \$1,739 and approve the associated contract as presented.

VOTE: Aye-4(Miller, Kennedy, Welch, Yates)  
Nay-0  
Absent-1(Blust)

*[Clerk's Note: Vice-Chairman Blust returned from the recess immediately after the above vote was taken. **The Vice-Chairman's vote was considered an "Aye" since he was present for the meeting and had only stepped away momentarily.**]*

Commissioner Kennedy, seconded by Vice-Chairman Blust, moved to approve the December 17, 2013, regular meeting minutes as amended.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

Commissioner Kennedy, seconded by Vice-Chairman Blust, moved to approve the December 17, 2013, closed session minutes as presented.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

### **APPROVAL OF AGENDA**

Chairman Miller called for additions and/or corrections to the January 21, 2014, agenda.

Chairman Miller stated that the Department of Social Services out-of-state travel request had been withdrawn and, therefore, requested removal of that item from the agenda.

Commissioner Kennedy, seconded by Commissioner Welch, moved to approve the January 21, 2014, agenda as amended.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

### **VEHICLE EMERGENCY EQUIPMENT INSTALLATION REQUEST**

Captain Kelly Redmon presented bids to up-fit newly purchased patrol vehicles with emergency equipment and decals. Bids were received from the following: Anchor-Richey in the amount of \$45,504.48, Dana Safety Supply in the amount of \$26,487.35, and High Country Communications in the amount of \$40,352.33

Dana Safety Supply submitted the lowest responsive bid in the amount of \$26,487.35. Adequate funds were included in the FY 2014 Budget to cover the cost of the emergency equipment and decals.

Vice-Chairman Blust, seconded by Commissioner Kennedy, moved to award the contract for emergency equipment and decals to Dana Safety Supply in the amount of \$26,487.35.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

### **HIGH COUNTRY COUNCIL OF GOVERNMENTS' REQUEST FOR SUPPORT OF THE URGENT REPAIR PROGRAM**

On behalf of Michelle Ball with High Country Council of Governments, Mr. Joe Furman, Watauga County Planning Director, presented a proposal for the High Country Council of Governments to apply for funds from the North Carolina Housing Finance Agency's Urgent

Repair Program. The request was due to the Community Development Block Grant (CDBG) Scattered Site Housing Program being eliminated at conclusion of the current funding cycle. Should the application be approved, a multi-county housing repair program would be established and administered by the High Country Council of Governments. No local match was required. Mr. Furman stated that the Planning Department would work with HCCOG to locate participants for the program. A proposed letter of support was presented for consideration.

Commissioner Kennedy, seconded by Vice-Chairman Blust, moved to approve the letter of support for the High Country Council of Governments submitting an application to the North Carolina Housing Finance Agency for a multi-county Urgent Repair Program which would replace the soon to be defunct Community Development Block Grant Scattered Site Housing Program.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

## **TAX MATTERS**

### ***A. Monthly Collections Report***

Tax Administrator Larry Warren presented the Tax Collections Report for the month of December 2013. This report was presented for information only and, therefore, no action was required.

### ***B. Refunds and Releases***

Mr. Warren presented the following Refunds and Releases for December 2013, including a report from the new motor vehicle billing system, North Carolina Vehicle Tax System (NCVTS), for Board approval:

TO BE TYPED IN MINUTE BOOK

Commissioner Kennedy, seconded by Commissioner Welch, moved to approve the Refunds and Releases Report for December 2013 including the North Carolina Vehicle Tax System Refunds and Releases Report, as presented.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

### ***C. 2014 Revaluation Update***

Mr. Warren provided an update on the 2014 revaluation process. Mr. Warren stated that up to a 10% decline in property values was expected; however, the overall decline was .33%, equating to approximately \$85,000 in lost revenue if the tax rate remained the same. Mr. Warren anticipated notices stating the new values would be ready to mail within the next few days and requested permission to send them. Mr. Warren also stated that office space in the Appalachian Enterprise Center would be used to hear informal appeals, many of which could be handled administratively.

Commissioner Kennedy, seconded by Vice-Chairman Blust, moved to authorize the Tax Administrator to mail the prepared notices of value to property owners.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

## **MISCELLANEOUS ADMINISTRATIVE MATTERS**

### ***A. Proposed Amendments to the Ambulance Franchise Agreement***

County Manager Geouque stated that the Board approved the addition of a twelve (12) hour ambulance crew for Fiscal Year 2014. In conjunction with the additional crew, staff was able to negotiate a waiver of the CPI increase for 2014. The proposed contract reflects the additional twelve (12) hour crew and the waiving of the CPI escalator for 2014. The proposed contract includes an effective date of January 1, 2014, and an expiration date of December 31, 2019.

Chairman Miller requested the date of January 1, 2014, be changed to January 1, 2015 in both Sections 30 and 31 of the agreement.

The County Manager stated that North Carolina General Statute 153A-46 required grants, renewals, extensions, or amendments of any franchise to be passed at two regular meetings of the Board of Commissioners before it may be officially adopted. The County Manager requested approval at this time with the contract to be presented at the February 4, 2014, regular meeting for a second ratifying adoption.

Commissioner Kennedy, seconded by Vice-Chairman Blust, moved to adopt the Ambulance Franchise Agreement as amended with the date changes recommended by Chairman Miller.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

*[Clerk's Note: The Franchise Agreement will be presented for a second approval ratifying the above adoption at the February 4, 2014, regular meeting.]*

### ***B. Proposed Resolution Establishing the Sheriff's Salary***

County Manager Geouque stated that, per Statute, prior to the ending of the filing period for the fall elections, the Board must establish the salary for the Sheriff 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 \$67,585.

Commissioner Kennedy, seconded by Commissioner Welch, moved to adopt the resolution setting the salary for the office of Sheriff as presented.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

***C. Proposed Dates for the Annual Pre-Budget Retreat***

County Manager Geouque presented the following proposed dates for the Annual Pre-Budget Retreat: February 14 & 15 or February 21 & 22, 2014, with times proposed as 12:00 – 6:00 P.M. on Friday and 9:00 A.M. – 12:00 P.M. on Saturday. Two days were required for the Retreat, however, times and dates were adjustable at the wish of the Board.

By consensus, the Board agreed to hold the Annual Pre-Budget Retreat Friday, February 21 through Saturday, February 22, 2014, with the Friday session beginning at 12:00 P.M. and the Saturday session beginning at 9:00 A.M.

***D. Discussion Regarding Proposed Amendments to the Town of Boone's Unified Development Ordinance (UDO)***

County Manager Geouque presented a draft of amendments to the Town of Boone's Unified Development Ordinance (UDO) regarding the Board of Adjustment and Planning Commission extraterritorial jurisdiction (ETJ) appointments. A letter from the County Attorney including his comments and staff comments regarding the proposed amendments were also presented.

The County Manager stated that feedback from the Board of Commissioners had been requested by January 17; however, the Town Manager had indicated that it would be acceptable for the County to provide feedback after the Commissioners meeting on January 21, 2014.

County Attorney Eggers reviewed the comments in his letter per Commissioner Kennedy's request.

After review and discussion, the Board, by consensus, directed the staff to submit the County Attorney's letter addressing the amendments to the Town of Boone Manager for consideration and directed the County Attorney to request to meet directly with the Town of Boone's Attorney to work on incorporating the County's recommendations into the draft Unified Development Ordinance.

***E. Proposed Purple Heart Proclamation***

County Manager Geouque stated that Mr. Lenny Lazzara, Commander of Chapter 639 Military Order of the Purple Heart, has requested the Board adopt a proposed proclamation declaring the County as a Purple Heart County. The goal was to have all one hundred (100) counties in North Carolina approve the proclamation to raise awareness of the sacrifices for the people who have received the Purple Heart Award.

Commissioner Kennedy, seconded by Commissioner Welch, moved to adopt the proclamation as presented.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)



## *F. Boards & Commissions*

### **Recreation Commission**

County Manager Geouque stated that the terms of Recreation Commission members representing the Blowing Rock, Mabel, and Cove Creek elementary school districts as well as three Town of Boone representatives expired in December. Parks and Recreation Director, Stephen Poulos, has requested recommendations for appointments to fill these positions.

Cove Creek Principal, Toby Cone, wishes to represent the Cove Creek School district.

Blowing Rock principal, Patrick Sukow, recommends the reappointment of Wendell Ellis as the Blowing Rock School district representative.

Vice-Chairman Blust, seconded by Commissioner Kennedy, moved to appoint Toby Cone as the Cove Creek School District Representative and reappoint Mr. Wendell Ellis as the Blowing Rock School District Representative on the Watauga County Recreation Commission.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

County Manager Geouque stated that the Town of Boone has recommended that Mr. Greg Dobbins and Mr. Joseph Robinson be appointed as Town of Boone representatives to the Recreation Commission. Consideration of appointments was tabled due to these being first readings.

### **Social Services Advisory Board**

County Manager Geouque stated that Audrey Tate recently announced her resignation from the Social Services Advisory Board with her last meeting having been in December 2013. Social Services Director, Jim Atkinson, has recommended Lynn Jackson Patterson for appointment to fill the unexpired term.

Commissioner Kennedy, seconded by Vice-Chairman Blust, moved to appoint Lynn Jackson Patterson to fill the un-expired term of Audrey Tate.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

### **Watauga County Board of Adjustment**

County Manager Geouque stated that one appointment was still needed to the Watauga County Board of Adjustment which meets infrequently. The two zoned areas of the County (Valle Crucis and Foscoe-Grandfather) must be represented on the Board; traditionally an attempt has been made to appoint representatives of watershed protection areas as well. Technically, the seat is an at-large representative, though the last member who held this seat also resided in one of the watershed protection areas. The other members represent Valle Crucis, Foscoe-Grandfather, Howards Creek watershed, and Middle Fork watershed. The term would be for three years.

The County Manager stated that a volunteer application had been received by Mr. David Hill who expressed interest in serving. Consideration of an appointment was tabled due to this being a first reading.

**Town of Boone Board of Adjustment**

County Manager Geouque stated that the Town of Boone had recommended that Mr. Clinton Coffey be appointed as an Extra Territorial Jurisdiction (ETJ) representative on the Boone Board of Adjustment for a three-year term.

Consideration of an appointment was tabled due to this being a first reading.

**Watauga County Nursing Home Community Advisory Committee**

County Manager Geouque stated that Ms. Julie Wiggins, Regional Ombudsman with High Country Council of Governments' Area Agency on Aging, had requested that Ms. Wanda Branch be reappointed to the Watauga County Nursing Home Community Advisory Committee for a three-year term. Consideration of an appointment was tabled due to this being a first reading.

**Watauga Medical Center Board of Trustees**

County Manager Geouque stated that the Watauga Medical Center Board of Trustees had recommended Mr. Sam Adams, Ms. Susan Roggenkamp, and Mr. Kenneth Wilcox for reappointment as Board Trustees. Each of their terms would be effective January 1, 2014, through December 31, 2016. Consideration of appointments was tabled due to these being first readings.

***G. Announcements***

County Manager Geouque presented a list of various "I Have A Dream" events scheduled through January 26, 2014.

County Manager Geouque asked Board members to "Save the Date" as the Cooperative Extension has extended an invitation to attend the Small Farms Week kickoff event on Monday, March 24, 2014, at the Boone United Methodist Church. Watauga County is hosting the event as Bill Moretz, local apple grower and former Farmer's Market president, was the recipient of the 2013 North Carolina A&T State University Small Farmer of the Year Award. The event, which will welcome more than 200 small farmers and Extension agents from across the state, begins at 9:30 A.M. NC A&T State University faculty member, Dr. Manny Reyes, will be the keynote speaker. Breakout sessions on technical topics will follow and lunch will be served around noon.

**PUBLIC COMMENT**

There was no public comment.

**CLOSED SESSION**

At 6:20 P.M., Commissioner Kennedy, seconded by Commissioner Welch, moved to enter Closed Session to discuss Attorney/Client Matters, per G. S. 143-318.11(a)(3) and Land Acquisition, per G. S. 143-318.11(a)(5)(i).

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

Commissioner Kennedy, seconded by Commissioner Welch, moved to resume the open meeting at 6:43 P.M.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

**POSSIBLE ACTION AFTER CLOSED SESSION**

A discovery bill had been prepared and presented to Watauga County property owner, Ms. Anita Conrad, for property located at 642 Black Locust Circle (Parcel ID # 2828068037000). Ms. Conrad had purchased the property from Rictur, Inc. on September 28, 2011. The discovery bill was prepared on December 12, 2012, for a house that had never been taxed. The discovery bill included taxes for the house only, for 2011 and 2012. The bill was mailed to Ms. Conrad in March, 2013, as she was the current owner. Ms. Conrad felt that since she did not purchase the property until September, 2011, she should not be responsible for the 2011 taxes. It was the responsibility of Rictur, Inc. to list the house when it was completed in 2010. Ms. Conrad had requested the 2011 tax be waived since she was not the owner the majority of that year. Penalties, in the amount of ten percent (10%) of the tax owed had also accumulated. Legal advice given in closed session included that Ms. Conrad, as the current property owner, was liable for the taxes.

Vice-Chairman Blust, seconded by Commissioner Kennedy, moved to waive the penalty fees for taxes owed by Ms. Anita M. Conrad on Parcel ID 2828068037000 due to a discovery bill issues in March 2013 for the tax years of 2011 and 2012.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

**ADJOURN**

Commissioner Kennedy, seconded by Commissioner Welch, moved to adjourn the meeting at 6:44 P.M.

VOTE: Aye-4(Miller, Blust, Kennedy, Welch)  
Nay-0  
Absent-1(Yates)

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Nathan A. Miller, Chairman

ATTEST:

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Anita J. Fogle, Clerk to the Board

**AGENDA ITEM 3:**

**APPROVAL OF THE FEBRUARY 4, 2014, AGENDA**

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**AGENDA ITEM 4:**

**PROPOSED PROCLAMATION HONORING THE 50<sup>TH</sup> ANNIVERSARY OF CALDWELL  
COMMUNITY COLLEGE AND TECHNICAL INSTITUTE (CCC&TI)**

**MANAGER'S COMMENTS:**

Dr. Ken Boham, CCC&TI President, will request the Board approve the proclamation honoring the 50<sup>th</sup> anniversary of Caldwell Community College and Technical Institute.

Board action is requested to approve the included proclamation.

STATE OF NORTH CAROLINA

COUNTY OF WATAUGA

**DRAFT**

**PROCLAMATION HONORING THE  
50<sup>th</sup> ANNIVERSARY  
OF  
CALDWELL COMMUNITY COLLEGE AND TECHNICAL INSTITUTE**

**WHEREAS**, Caldwell Community College and Technical Institute (CCC&TI) was chartered on April 2, 1964; and

**WHEREAS**, the College has provided fifty (50) years of service to the people of Watauga County; and

**WHEREAS**, upholding their College Motto, *“Educational Opportunities for All,”* CCC&TI offers hundreds of day and evening courses at their Hudson and Watauga Campuses as well as online courses designed to fit any schedule or lifestyle; and

**WHEREAS**, CCC&TI offers opportunities, in addition to higher education, for the people of Watauga County to train for new careers and explore new hobbies or interest through their Adult Corporate and Continuing Education courses; and

**WHEREAS**, the Watauga County Board of Commissioners and College Trustees have worked in partnership over the years by devoting time, energy, and talents to the College to serve the educational and economic development needs of the people of Watauga County; and

**WHEREAS**, over the past fifty (50) years the College has made valuable contributions to those education and economic needs of the citizens of Watauga County.

**NOW, THEREFORE, BE IT PROCLAIMED**, that the Watauga County Board of Commissioners extends to Caldwell Community College and Technical Institute sincere congratulations on this 50<sup>th</sup> Anniversary and best wishes for many years of continued success.

**ADOPTED** this the 4<sup>th</sup> day of February, 2014.

\_\_\_\_\_  
Nathan A. Miller, Chairman  
Watauga County Board of Commissioners

**ATTEST:**

\_\_\_\_\_  
Anita J. Fogle, Clerk to the Board





**AGENDA ITEM 5:**

**SMOKY MOUNTAIN CENTER MATTERS**

*A. Presentation of Quarterly Report*

**MANAGER'S COMMENTS:**

Ms. Lisa Slusher, Smoky Mountain Finance Director, will present the Smoky Mountain Center Quarterly Reports as required by Statute. The report is included in your packet for review.

The report is for information only; therefore, 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 Geouque, County Manager**  
**FROM: Margaret Pierce, Finance Director**  
**SUBJECT: Smoky Mountain Center Quarterly Reports**  
**DATE: January 14, 2014**

Attached is a copy of the quarterly fiscal monitoring report (FMR) from Smoky Mountain Center for the quarter ended September 30, 2013. This fiscal monitoring report was provided by Smoky Mountain Center to comply with the G.S. 122C-117(c).

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

(c) Within 30 days of the end of each quarter of the fiscal year, the area director and finance officer of the area authority shall provide the quarterly report of the area authority to the county finance officer. The county finance officer shall provide the quarterly report to the board of county commissioners at the next regularly scheduled meeting of the board. The clerk of the board of commissioners shall notify the area director and the county finance officer if the quarterly report required by this subsection has not been submitted within the required period of time. This information shall be presented in a format prescribed by the county. At least twice a year, this information shall be presented in person and shall be read into the minutes of the meeting at which it is presented. In addition, the area director or finance officer of the area authority shall provide to the board of county commissioners ad hoc reports as requested by the board of county commissioners.

Fiscal Monitoring Report - DMHDDSAS

LME / MCO NAME: SMOKY MOUNTAIN CENTER FOR THE PERIOD ENDING: September 30, 2013 BCC Meeting  
 # of month in the fiscal year (July = 1, August = 2, . . . , June = 12) =====> 3

1. REPORT OF BUDGET VS. ACTUAL

ITEM	Basis of Accounting: (check one)		PRIOR YEAR		CURRENT YEAR			
	Cash	Accrual	(1)	(2)	(3)	(4)	(5)	(6)
	X		BUDGET	ACTUAL	BUDGET	ACTUAL YR-TO-DATE	BALANCE (Col. 3-4)	ANNUALIZED PERCENTAGE **
<b>REVENUE</b>								
Service Fees from LME-Delivered Services			-	8,601	-	-	-	#DIV/0!
Medicaid Pass Thru			1,575,000	996,859	-	21,999	(21,999)	#DIV/0!
Interest Earned			33,000	50,684	60,000	15,070	44,930	100.47%
Rental Income			-	-	-	-	-	#DIV/0!
Budgeted Fund Balance * (Detail in Item 4, below)			546,917	-	150,000	-	150,000	0.00%
Other Local			950,920	916,364	599,577	274,054	325,523	182.83%
<b>Total Local Funds</b>			<b>3,105,837</b>	<b>1,972,508</b>	<b>809,577</b>	<b>311,123</b>	<b>498,454</b>	<b>153.72%</b>

County Appropriations (by county, includes ABC Funds):		(1)	(2)	(3)	(4)	(5)	(6)
Alexander County		43,225	37,825	43,225	9,456	33,769	87.50%
Caldwell County		113,538	118,747	113,538	29,562	83,976	104.15%
McDowell County		67,856	67,856	67,856	16,964	50,892	100.00%
Cherokee County		75,000	75,000	75,000	18,750	56,250	100.00%
Clay County		10,000	10,000	15,000	3,750	11,250	100.00%
Graham County		6,000	6,177	6,000	-	6,000	0.00%
Haywood County		96,775	98,100	116,775	2,922	113,853	10.01%
Jackson County		123,081	123,081	123,081	30,770	92,311	100.00%
Macon County		106,623	106,623	106,623	28,656	79,967	100.00%
Swain County		30,125	30,324	30,125	14,023	16,102	186.20%
Ashe County		189,586	189,586	189,586	47,392	142,174	100.00%
Avery County		89,600	89,600	89,600	22,400	67,200	100.00%
Alleghany County		109,709	109,709	112,596	28,149	84,447	100.00%
Watauga County		221,194	221,194	171,194	42,799	128,395	100.00%
Wilkes County		254,200	265,009	254,200	65,291	188,909	102.74%
Budget amend req'd		-	-	22,113	-	22,113	0.00%
<b>Total County Funds</b>		<b>1,536,492</b>	<b>1,548,811</b>	<b>1,536,492</b>	<b>358,884</b>	<b>1,177,608</b>	<b>93.43%</b>

LME Systems Admin. Funds (Cost Model)		-	-	-	-	-	#DIV/0!
DMH/DD/SAS Administrative Funds (% basis)		3,367,560	3,367,560	2,911,288	727,822	2,183,466	100.00%
DMH/DD/SAS Risk Reserve Funds (% basis)		485,215	-	-	-	-	#DIV/0!
DMH/DD/SAS Services Funding		26,325,086	26,173,768	25,614,719	6,597,911	19,016,808	103.03%
DMA Capitation Funding		119,902,334	121,308,430	127,718,661	32,264,528	95,454,133	101.05%
DMA Risk Reserve Funding		2,452,478	2,478,759	2,606,503	658,488	1,948,015	101.05%
All Other State/Federal Funds		-	-	-	6,211	(6,211)	#DIV/0!
<b>Total State and Federal Funds</b>		<b>152,532,673</b>	<b>153,328,517</b>	<b>158,851,171</b>	<b>40,254,960</b>	<b>118,596,211</b>	<b>101.37%</b>

<b>TOTAL REVENUE</b>		<b>157,175,002</b>	<b>156,849,836</b>	<b>161,197,240</b>	<b>40,924,967</b>	<b>120,272,273</b>	<b>101.55%</b>
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EXPENDITURES:	(1)	(2)	(3)	(4)	(5)	(6)
System Management/Administration/Care Coordination	22,625,370	15,103,019	22,290,639	4,480,698	17,809,941	80.41%
LME Provided Services	1,314,564	1,235,536	1,261,294	310,877	950,417	98.59%
Provider Payments (State Funds)	129,119,242	129,631,148	134,081,645	31,212,775	102,868,870	93.12%
Provider Payments (Federal Funds)	1,325,405	1,198,829	1,240,653	382,799	857,854	123.42%
Provider Payments (County/Local)	1,536,492	1,521,692	1,536,492	378,400	1,158,092	98.51%
Merger Expenses	-	-	-	-	-	#DIV/0!
MCO Start-Up Expenses	-	-	-	-	-	#DIV/0!
All Other	1,253,927	800,746	786,516	431,762	354,754	219.58%
<b>TOTAL EXPENDITURES</b>	<b>157,175,000</b>	<b>149,490,970</b>	<b>161,197,239</b>	<b>37,197,311</b>	<b>123,999,928</b>	<b>92.30%</b>

<b>CHANGE IN CASH BALANCE</b>		<b>7,358,866</b>		<b>3,727,656</b>		
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Beginning Unrestricted Fund Balance		5,017,643		11,972,820		
Balance in DMH/DD/SAS Risk Reserve		-		-		
Balance in DMA Risk Reserve		-		3,137,247		

Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures	7.62%	11,972,820	9.70%	15,631,125		
--	-------	------------	-------	------------	--	--

2. CURRENT CASH POSITION	(1)	(2)	(3)	(4)	(5)	Allowance for Uncollectible Receivables
	30 DAYS	60 DAYS	90 DAYS	OVER 90 DAYS	TOTAL	
Accounts Payable (Accrual Method)	3,789,792	16,232	741,698	108,035	\$ 4,655,757	
Account Receivable (Accrual Method)	239,084	2,441,099	542,986	879,670	\$ 4,102,839	\$ 4,102,839
<b>Current Cash in Bank</b>		<b>31,255,393</b>				

3. SERVICE EXCEPTIONS ( Provided Based on System Capability)		8,796,363				
--	--	-----------	--	--	--	--

4. DETAIL ON BUDGETED FUND BALANCE	Budgeted	Year-to-Date	Balance	%
Payments to Providers				#DIV/0!
MCO Start-up Expense				#DIV/0!
LME Merger Expense				#DIV/0!
Other (List): Legal Fees	150,000	150,000	-	400.00%

\* We certify (a) this report to contain accurate and complete information, (b) explanations are provided for any expenditure item with an annualized expenditure rate greater than 110% and for any revenue item with an annualized receipt rate of less than 90%, and (c) a copy of this report has been provided to each county manager in the catchment area.

LME/MCO Director: [Signature] Date: 12/19/13  
 LME/MCO Finance Officer: [Signature] Date: 12/19/13  
 Area Board Chair: [Signature] Date: 12-19-13

Division of Mental Health, Developmental Disabilities & Substance Abuse Services  
Quarterly Fiscal Monitoring Report - Explanation of Revenue and Expenditure Variances  
**SMOKY MOUNTAIN CENTER**

020414 BCC Meeting

for the period ending: September 30, 2013

<b>ITEM</b>	<b>Explanation</b>
<b>Revenues</b>	
Haywood County-10.01%	We have only rec'd ABC funds from this county year to date
Graham County - 0%	This County's habit is to pay entire amount in last quarter of fiscal year
Note Regarding County Budgets -	Budgets for Clay, Haywood, Alleghany, and Watauga County match were corrected to reflect Board approved budget. Adjusting amount of \$22,113 is listed pending finalization of budgets for ABC Funds.
<b>Expenditures</b>	
Provider Payments - Federal Funds - 123.42%	Policy is to expend Federal Funds firsts, so expenditure is expected to be higher. This should even out as the year progresses.
Fund Balance Appropriation for Legal fees - 400%	Appropriation amount incurred in 1st quarter. further appropriations under review

**AGENDA ITEM 5:**

**SMOKY MOUNTAIN CENTER MATTERS**

*B. Presentation of Annual Audited Financial Report*

**MANAGER'S COMMENTS:**

Ms. Lisa Slusher, Smoky Mountain Finance Director, will present the Smoky Mountain Center Annual Audited Financial Statements as required by Statute. The report is included in your packet for review.

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



## WATAUGA COUNTY FINANCE OFFICE

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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**  
**SUBJECT: Smoky Mountain Center Audited Financial Statements**  
**DATE: January 14, 2014**

Attached is a copy of the audited financial report from Smoky Mountain Center for the fiscal year ended June 30, 2013. This audited financial report was provided by Smoky Mountain Center to comply with the G.S. 122C-117(d). A representative from Smoky will be at the meeting to address any questions.

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 FOR MENTAL HEALTH,  
DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE  
SERVICES**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2013**

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
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**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
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**CliftonLarsonAllen**CliftonLarsonAllen LLP  
www.cliftonlarsonallen.com**INDEPENDENT AUDITORS' REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities of Smoky Mountain Center for Mental Health, Developmental Disabilities and Substance Abuse Services (the "Organization"), as of and for the year then ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these 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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, and the aggregate remaining fund information of the Organization as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the other Postemployment Benefits' Schedules of Funding Progress and Employer Contributions on pages 33-34, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.


### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Organization. The combining and individual fund statements, budgetary schedules, other schedules as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Implementation Act* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2013 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, and other matters. The purpose of the 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
November 27, 2013

## Management's Discussion and Analysis

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

### **Management's Discussion and Analysis (MD&A)**

The management of Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services (the "Organization") offers readers of the Organization's financial statements this narrative overview and analysis of the Organization's financial activities for the fiscal year ended (FYE) June 30, 2013. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Organization's financial statements, which follow this narrative.

### **Financial Highlights**

- The Organization's net position increased by \$5,911,053 (or 34%) to \$23,320,348, as compared to the previous year's end. \$2,478,759 of this increase was the funding from the Division of Medical Assistance for the two (2) percent Medicaid risk reserve.
- Net investment in capital assets decreased by \$217,573 (or 13.5%) as compared to the previous year's end.
- Unrestricted net position increased by \$7,263,050 to \$17,592,943 during the fiscal year ended June 30, 2013. The key contributing factors for these increases were a result of operations as a managed care organization under the Medicaid 1915 (b)(c) waiver, as well as a reduction in restriction for state stabilization. Medicaid waiver operations resulted in an establishment of a Medicaid risk reserve and more efficient administrative operations due to economies of scale.
- The business-type activity operating revenues are \$155,908,500 for the fiscal year.
- Total operating expenses of all the Organization's programs were \$150,174,620 during the fiscal year ended June 30, 2013.

### **Overview of the Financial Statements**

The Organization's basic financial statements consist of three components; 1) the MD&A, 2) fund financial statements, and 3) notes to the financial statements. Because the Organization is a special-purpose government engaged in business-type activities only, the financial statements are presented in accordance with paragraph 138 of GASB Statement 34. In addition to the financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Organization. In addition to the management's discussion and analysis, management has prepared the Statement of Net Position, the Statement of Revenues, Expenses and Change in Net Position, and the Statement of Cash Flows.

### **Overview of the Organization**

The Organization is an Area Authority or multi-county political subdivision of the State of North Carolina operating in accordance with North Carolina General Statute 122c. The Organization's primary mission is to manage a publicly funded health care system which addresses the mental health, substance abuse and intellectual and developmentally disability needs of citizens in the fifteen county catchment area. The fifteen county catchment area comprises the counties of Alexander, Alleghany, Ashe, Avery, Caldwell, Cherokee, Clay, Graham, Haywood, Jackson, Macon, McDowell, Swain, Watauga, and Wilkes.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

Effective July 1, 2012, the Organization began operating under a Medicaid 1915 (b)(c) waiver with the Organization bearing the financial risk. The Organization's operations are funded primarily through Medicaid waiver funds, as well as federal and state funds from the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS).

### **Fund Financial Statements**

The financial statements are presented on the fund basis. The fund financial statements provide a more detailed look at the Organization's most significant activities by focusing on the individual activities of the major funds. 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. The Organization, 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 (G.S.), the Organization's budget ordinance, or requirements under the Medicaid waivers. The focus is now on the activities of the major funds, and not on the type of fund. The Organization maintains one fund based on its activities as required and for accountability and control. The fund is an enterprise fund which uses the full accrual basis of accounting and accounts for the Organization's activities in a manner similar to a for-profit business.

The Organization adopts an annual budget as required by G.S. 159-42(c). The budget is a legally adopted document that incorporates input from the citizens and the management of the Organization and the decisions of the Board about which services to provide and how to pay for them. The budgetary statements demonstrate how well the Organization complied with the budget ordinance and whether or not the Organization succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statements use the budgetary basis of accounting and are presented using the same format, language, and classifications as the legal budget document. The budgetary statements are presented as supplementary information to demonstrate compliance with applicable state laws. To account for the difference between the budgetary basis of accounting and the full accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

### **Notes to the Financial Statements**

The next section of the financial statements is the notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements are on pages 16-31. After the notes, supplemental information is provided to show details about the Organization's individual funds.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information required by North Carolina general statutes.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

**Statement of Net Position**

A summary of the Organization's Statements of Net Position at June 30, 2013 and 2012, are presented in Table A-1.

**Table A-1  
Condensed Statements of Net Position  
June 30, 2013 and 2012**

	2013	2012
Current Assets	\$ 32,407,463	\$ 19,298,471
Restricted Cash	2,478,759	-
Capital Assets	1,390,205	1,607,778
Total Assets	36,276,427	20,906,249
Current Liabilities	12,150,050	2,824,577
Long-Term Liabilities	806,029	672,377
Total Liabilities	12,956,079	3,496,954
Net Assets		
Invested in Capital Assets, Net of Related Debt	1,390,205	1,607,778
Restricted	4,337,200	5,471,624
Unrestricted Net Assets	17,592,943	10,329,893
Total Net Assets	\$ 23,320,348	\$ 17,409,295
Total Liabilities and Net Assets	\$ 36,276,427	\$ 20,906,249

Net position may serve over time as one useful indicator of a government's financial condition. The assets of the Organization exceeded liabilities by \$23,320,348 as of June 30, 2013. The Organization's net position increased by \$5,911,053 for the fiscal year ended June 30, 2013. The largest portion of net position (82.7%) reflects the Organization's unrestricted cash. The Organization uses these funds to pay providers of services and to manage risk associated with the capitation payments under the Medicaid waivers.

An additional portion of the Organization's net position represents resources that are subject to external restrictions on how they may be used. 75.4% of the total fund balance is unrestricted while 18.6% of net position is restricted by North Carolina State Statute and the Medicaid (b)(c) waiver contract. The remaining balance represents the net investment in fixed assets.



**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

**Statement of Revenues, Expenses, and Changes in Net Position**

While the Statement of Net Positions shows the change in net assets, it also provides answers to the nature and source of these changes.

**Table A-2  
Condensed Statements of Changes in Net Position  
Years Ended June 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
<b>Revenues</b>		
Intergovernmental:		
Local	\$ 1,514,579	\$ -
Federal	441,652	-
State	28,830,829	-
Medicaid	124,783,794	-
Other Income	337,646	-
Total Revenues	<u>155,908,500</u>	<u>45,336,433</u>
<b>Expenses</b>		
Personnel	13,490,161	-
Professional Services	1,208,120	-
Supplies	107,391	-
Current Obligations/Services	1,244,816	-
Fixed Charges/Expenses	798,883	-
Capital Outlay	228,580	-
Depreciation	223,445	-
Contracts/Grants	132,873,224	-
Total Expenses	<u>150,174,620</u>	<u>48,532,578</u>
<b>NONOPERATING INCOME</b>		
Gain on Disposal of Capital Assets	126,489	-
Interest Income	50,684	-
Total Nonoperating Income	<u>177,173</u>	-
<b>Changes in Net Assets</b>	5,911,053	(3,196,145)
Net Assets - Beginning of Year	<u>17,409,295</u>	<u>20,605,440</u>
Net Assets - End of Year	<u>\$ 23,320,348</u>	<u>\$ 17,409,295</u>

\*\*Due to the change in reporting model, only summary totals for revenues and expenses are show for 2012.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

**Capital Asset and Debt Administration**

The Organization's investment in capital assets as of June 30, 2013, totals \$1,390,205 (net of accumulated depreciation). These assets include assets held for resale (which are not depreciated), buildings, leasehold improvements, furniture and other equipment, computer equipment and vehicles. Capital assets decreased during the year with disposals and depreciation expense exceeding new equipment additions and leasehold renovations.

At June 30, 2013 and 2012, the Organization had invested \$1,390,205 and \$1,607,778, respectively, in capital assets, net of accumulated depreciation, as shown in Table A-3.

**Table A-3  
Capital Assets  
June 30, 2013 and 2012**

	2013	2012
Assets Held for Resale	\$ 600,084	\$ 600,084
Buildings	397,918	448,144
Leasehold Improvements	82,895	76,392
Office Furniture and Equipment	128,863	155,123
Computer Equipment	180,445	267,370
Vehicles	-	60,665
Total Capital Assets	\$ 1,390,205	\$ 1,607,778

Additional information on the Organization's capital assets can be found in Note 2 of the Basic Financial Statements.

At June 30, 2013 and 2012, the Organization had no outstanding debt associated with these capital assets.

**Economic and Other Factors**

A number of economic factors currently affect the financial and operational performance of health care entities and the Organization including the following:

**Restructuring of Mental Health Services in North Carolina.**

A major restructuring of the management and delivery systems of mental health, developmental disabilities, and substance abuse services continues in the State of North Carolina. Significant changes in funding and operations continue to take place as a result of this reform.

**Other Factors for the Year Ended June 30, 2013:**

- a. The Organization is an Area Authority operating as a Local Management Entity in the State of North Carolina. Effective July 1, 2012, the Organization began operating under a Medicaid 1915 (b)(c) waiver, assuming management of Medicaid funded behavioral health

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013**

- and intellectual/developmental disability services for Medicaid enrollees in the Organization's 15 county catchment area.
- b. On May 24, 2013, the Organization entered into a management agreement with Western Highlands Area Authority to provide management and oversight of Western Highlands and its respective eight county catchment area. This was a result of the Department of Health and Human Services (DHHS) notifying Western Highland's that its contracts would be terminated without cause effective July 31, 2013. The Organization worked in partnership with DHHS, Western Highlands, Consumer and Family Advisory Council, providers, community stakeholders, and others to ensure a smooth transition of consumer services and all operations. As of October 1, 2013, all operations of Western Highlands had transitioned to the Organization.
  - c. The Organization began informal discussions with two other LME's to explore a potential merger between the three organizations which is consistent with North Carolina public policy to have only three to four managed care organizations statewide.

**Finance Contact**

The Organization's financial statements are designed to present users with a general overview of the Organization's finances and to demonstrate the Organization's accountability. If you have any questions about the report or need additional financial information, please contact Lisa D. Slusher, Chief Financial Officer, Smoky Mountain Center for Mental Health, Developmental Disabilities, and Substance Abuse Services, 44 Bonnie Lane, Sylva, North Carolina, 28779.

## Basic Financial Statements

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**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
STATEMENT OF NET POSITION  
JUNE 30, 2013**

**ASSETS**

## Current Assets

Cash and Cash Equivalents	\$ 30,019,559
Accounts Receivable	1,858,441
Prepaid Expenses	528,149
Other Assets	1,314
Total current assets	<u>32,407,463</u>

## Non-Current Assets

Restricted Cash and Cash Equivalents	2,478,759
Capital Assets:	
Other Capital Assets (Net of Accumulated Depreciation):	790,121
Assets Held For Sale	600,084
Total capital assets	<u>1,390,205</u>
Total noncurrent assets	<u>3,868,964</u>

## Total Assets

\$ 36,276,427

**LIABILITIES**

Accounts Payable and Other Current Liabilities	\$ 3,770,506
Liability for Claims Incurred, But Not Reported	8,154,544
Compensated Absences - Current Portion	225,000

## Long-Term Liabilities:

Other Post Employment Benefits	239,371
Compensated Absences - Long Term	566,658
Total Liabilities	<u>12,956,079</u>

**NET ASSETS**

Invested in Capital Assets, Net of Related Debt	1,390,205
Restricted:	
Stabilization of State Statute	1,858,441
Medicaid Risk Reserve	2,478,759
Unrestricted	17,592,943
Total Net Assets	<u><u>\$ 23,320,348</u></u>

See accompanying Notes to Financial Statements.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2013**

**OPERATING REVENUES**

Intergovernmental:	
Local	\$ 1,514,579
Federal	441,652
State	28,830,829
Medicaid	124,783,794
Other Income	337,646
Total Revenues	<u>155,908,500</u>

**EXPENSES**

Personnel	13,490,161
Professional Services	1,208,120
Supplies and Materials	107,391
Current Obligations/Services	1,244,816
Fixed Charges/Expenses	798,883
Capital Outlay	228,580
Depreciation	223,445
Contracts, Grants	132,873,224
Total Expenses	<u>150,174,620</u>

**Operating Income** 5,733,880

**NONOPERATING INCOME**

Gain on Sale of Capital Assets	126,489
Interest Income	50,684
Total Nonoperating Income	<u>177,173</u>

Increase in Net Position 5,911,053

**NET POSITION - BEGINNING OF YEAR** 17,409,295

**NET POSITION - END OF YEAR** \$ 23,320,348

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2013**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Federal, state, and local agencies	\$ 159,187,736
Payments to suppliers	(3,587,790)
Payments to employees	(13,216,465)
Payments for contracted services	(123,772,751)
Other receipts/payments-net	585,790
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>19,196,520</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchases of capital assets	<u>(62,076)</u>
<b>CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(62,076)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds on sale of capital assets	182,693
Interest	50,684
<b>CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>233,377</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	19,367,821
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>13,130,497</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 32,498,318</u>
<b>Reconciliation of operating income to net cash provided from operating activities:</b>	
Operating income	\$ 5,733,880
Adjustments to reconcile operating income to net cash used by operating activities:	
Depreciation	223,445
Decrease in accounts receivable	3,616,882
Decrease in prepaid expenses	163,188
Increase in other post employment benefits liability	84,956
Increase in accounts payable and accrued expenses	9,100,473
Increase in compensated absences	273,696
	<u>\$ 19,196,520</u>

See accompanying Notes to Financial Statements.



**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The Organization is a local management entity (LME) and managed care organization (MCO) designated by and functioning under the control of the North Carolina Department of Health and Human Services to provide mental health, developmental disabilities and substance abuse services in Alexander, Alleghany, Ashe, Avery, Caldwell, Cherokee, Clay, Graham, Haywood, Jackson, Macon, McDowell, Swain, Watauga and Wilkes counties. The services include reviewing and evaluating the area needs and programs in mental health, mental impairment, mental retardation, alcoholism, drug dependency and related fields, and developing jointly with the North Carolina Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, an annual plan for the effective development, use and control of state and local facilities and resources in a comprehensive program of mental health service for the residents of the area. The Organization, which is governed by a thirty-four member board of directors, including four advisory members, is an area authority empowered by Chapter 122C of the North Carolina General Statutes with the responsibility to oversee and control all activities related to mental health, developmental disabilities, and substance abuse services in its target area. The Organization has no component units, which under generally accepted accounting principles are legally separate entities for which the Organization is financially accountable.

**B. Basis of Presentation, Fund Accounting**

The accounts of the Organization are organized and operated on a fund basis. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts recording its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses.

The Organization accounts for its operations as an enterprise fund. An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation, Fund Accounting (Continued)**

The Organization reports the following major fund:

The *Enterprise Fund*, the major operating fund of the Organization which accounts for all activity. The Enterprise 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 Organization gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements, and donations. On an accrual basis, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues.

Intergovernmental revenues are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

All funds of the Organization are maintained on the modified accrual basis during the year; however, the financial statements for the Organization have been reported on the accrual basis. Under this basis, revenues are recorded when earned and expenses are recorded when incurred. In converting from the modified accrual basis to the full accrual basis, the changes required may include adjustments for depreciation, capital outlay, compensated absences, and other post employment benefits.

**C. Budgetary Data**

The Organization maintains budgetary controls over all funds, as required by the North Carolina General Statutes. An annual budget is adopted for the Enterprise Fund. All annual appropriations lapse at the 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 all annually budgeted funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000. The governing board must approve all amendments. During the year, several immaterial 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. The budget was prepared on the modified accrual basis of accounting. The budget presented in these statements is the budget ordinance amended through June 30, 2013.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Fund Equity**

**1. Deposits and Investments**

All deposits of the Organization are made in board-designated official depositories and are secured as required by G.S. 159-31. The Organization may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Organization 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 Organization 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 Organization; 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).

The Organization's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. The STIF securities are reported at cost and maintain a constant \$1 per share value. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund. The LTIF is also valued at \$1 per share. The Global Ex-US Alpha Tilts Fund B is priced at \$17.90 per share and the Russell 3000 Alpha Tilts Fund B is priced at \$38.48 per share at June 30, 2013.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Fund Equity (Continued)**

**2. Cash and Cash Equivalents**

All cash and investments are essentially demand deposits and are considered cash and cash equivalents. The Organization considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

**3. 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 and evaluating current information related to the collectability of individual receivables.

**4. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

**5. Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are as follows: leasehold improvements, equipment, and vehicles, \$5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets of the Organization are depreciated on a straight-line basis over the following estimated useful lives:

	Years
Buildings	20
Leasehold Improvements	5-20
Vehicles	4-5
Office Furniture	5-10
Computer Equipment	3-5

**6. Long-Term Obligations**

Long-term obligations are reported as liabilities and classified as short-term or long-term depending on their respective maturities.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Fund Equity (Continued)**

**7. Compensated Absences**

The vacation policy of the Organization provides for the accumulation of up to two hundred and forty (240) hours earned vacation leave with such leave being fully vested when earned. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current portion in the financial statements.

The sick leave policy of the Organization 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 Organization has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

**8. Deferred Inflows of Resources**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Organization does not have any items that meet the criterion for this category currently.

**9. Net Position**

Net position is classified into three parts; net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by the law.

**Restricted Net Position**

This classification includes revenue resources that are restricted to specific purposes externally imposed by creditors or imposed by law.

**Restricted for Stabilization of State Statute**

This classification includes the portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 DETAILED NOTES ON ALL FUNDS**

**A. Assets**

**1. Cash and Cash Equivalents**

All of the Organization's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the Federal Depository Insurance coverage level are collateralized with securities held by the Organization in its name. Under the Pooling Method, which is a collateral pool, 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 Organization, these deposits are considered to be held by their agents in the entity'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 Organization or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Organization under the Pooling Method, the potential exists for undercollateralization, 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. The Organization has no formal policy regarding custodial credit risks for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all Pooling Method financial institutions and to monitor them for compliance.

At June 30, 2013, the Organization's deposits had a carrying amount of \$30,993,128 and a bank balance of \$32,116,847. Of the bank balance, \$250,000 was covered by Federal Depository Insurance; \$31,866,847 in interest bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2013, the Organization had \$800 cash on hand.

**2. Investments**

At June 30, 2013, the Organization's investments and maturities are as follows:

	Fair Value	Less than 6 Months	6-12 Months	1-3 Years
NC Capital Management Trust Term Portfolio	\$ 1,504,390	\$ 1,504,390	N/A	N/A
	<u>\$ 1,504,390</u>	<u>\$ 1,504,390</u>	<u>\$ -</u>	<u>\$ -</u>

\*Because the NC Capital Management Trust Term Portfolio had a duration of 0.3 years, it was presented as an investment with a maturity of 6-12 months.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Assets (Continued)**

**2. Investments (Continued)**

*Interest Rate Risk:* The Organization has no policy on interest rate risk.

*Custodial Credit Risk:* The Organization has no policy on custodial credit risk.

*Credit Risk:* The Organization's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the U.S. government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

**3. Receivables**

Receivables at June 30, 2013, were as follows:

	<u>Other Governments</u>	<u>Other Providers</u>	<u>Total</u>
General	\$ 1,091,374	\$ 767,067	\$ 1,858,441
Less Allowance for Doubtful Accounts and Contractual Adjustments	-	-	-
Total	<u>\$ 1,091,374</u>	<u>\$ 767,067</u>	<u>\$ 1,858,441</u>

Management has determined that there was not a need to establish an allowance for uncollectible accounts at June 30, 2013.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)****A. Assets (Continued)****4. Capital Assets**

Capital asset activity for the year ended June 30, 2013, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<b>Capital Assets not Being Depreciated:</b>				
Assets Held for Sale	\$ 600,084	\$ -	\$ -	\$ 600,084
Total Capital Assets not Being Depreciated	600,084	-	-	600,084
<b>Capital Assets Being Depreciated:</b>				
Buildings	459,634	-	-	459,634
Vehicles	400,167	-	376,864	23,303
Computer Equipment	1,900,790	-	-	1,900,790
Office Furniture	368,566	48,179	-	416,745
Leasehold Improvements	117,342	13,897	-	131,239
Total Capital Assets Being Depreciated	3,246,499	62,076	376,864	2,931,711
<b>Less Accumulated Depreciation for:</b>				
Buildings	11,490	50,226	-	61,716
Vehicles	339,502	4,462	320,660	23,304
Computer Equipment	1,633,420	86,925	-	1,720,345
Office Furniture	213,443	74,439	-	287,882
Leasehold Improvements	40,950	7,393	-	48,343
Total Accumulated Depreciation	2,238,805	223,445	320,660	2,141,590
Governmental Activity, Capital Assets, Net	<u>\$ 1,607,778</u>	<u>\$ (161,369)</u>	<u>\$ 56,204</u>	<u>\$ 1,390,205</u>

In addition, the Organization acquired \$228,580 of minor capital assets that were below the capitalization threshold of \$5,000.

Capital assets with a net book value of \$600,084 have been reclassified as assets held for sale. In March 2012, the Board of Directors approved the sale of the New Market Suites and listed the property for sale in May 2012. The asset cost, net of depreciation was reclassified at that time.



**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Liabilities**

**1. Payables**

Accounts payable, incurred but not reported claims and other current liabilities at June 30, 2013, were as follows:

	<u>Vendors</u>	<u>Accrued Wages and Benefits</u>	<u>Incurred but not Reported Claims</u>	<u>Total</u>
Payables	\$ 2,622,478	\$ 1,148,028	\$ 8,154,544	\$ 11,925,050
Total	<u>\$ 2,622,478</u>	<u>\$ 1,148,028</u>	<u>\$ 8,154,544</u>	<u>\$ 11,925,050</u>

**2. Pension Plan Obligations**

**a. Retirement Plan**

*Plan Description.* The Organization 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 Organization 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, 3512 Bush Street, Raleigh, North Carolina 27609, or by calling (919) 981-5454.

*Funding Policy.* Plan members (employees) are required to contribute six percent of their annual covered salary. The Organization is required to contribute at an actuarially determined rate (7.44%). The contribution requirements of members and of the Organization are established and may be amended by the North Carolina General Assembly. The Organization's contributions to the plan for the years ended June 30, 2013, 2012, and 2011 were \$645,711, \$399,369, and \$325,574, respectively. The contributions made by the Organization equaled the required contributions for each year.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Liabilities (Continued)**

**2. Pension Plan Obligations (Continued)**

**b. Other Post Employment Benefits**

*Plan Description.* The Organization administers a defined benefit Employment Benefit Fund (EBF). As of September, 2004, Organization 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 Organization's EBF. The Organization 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 Organization is listed in the following tables.

Employees With at Least 20 Years of Service at  
Smoky Mountain Center and Receiving LGRS Benefits

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

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Liabilities (Continued)**

**2. Pension Plan Obligations (Continued)**

**b. Other Post Employment Benefits (Continued)**

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

Retirement Age	Organization Contribution to Health and/or Dental Costs
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 Organization's retirees can purchase coverage for their dependents at the Organization's group rates. The Organization may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the Plan consisted of the following at July 1, 2012, the date of the latest actuarial valuation:

Active plan members	99
Retirees and dependents receiving benefits	<u>18</u>
Total	<u>117</u>

*Funding Policy.* The Organization 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 Organization has chosen to fund the healthcare benefits on a pay as you go basis.

The current ARC rate is 1.3% of annual covered payroll. For the current year, the Organization contributed \$124,872, or 1.28%, of annual covered payroll. The Organization obtains insurance through private insurers for healthcare coverage. The Organization is not required to make contributions at a specified percentage of covered payroll. The contributions made by retired employees, which includes dependent coverage in the amount of \$27,379.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Liabilities (Continued)**

**2. Pension Plan Obligations (Continued)**

**b. Other Post Employment Benefits (Continued)**

*Summary of Significant Accounting Policies.* The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Contributions are recognized when due, and the Organization will provide the contributions to the Plan. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. 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 perspective of the calculations. Short-term money market debt instruments, deposits, and repurchase agreements are reported at cost or amortized cost, which approximates fair value. Certain longer term United States Government and United States Agency securities are valued at the last reported sales price. Administration costs of the Plan are financed through investment earnings.

*Annual OPEB Cost and Net OPEB Obligation.* The Organization's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, 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 amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Organization's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the Organization's net OPEB obligation for the post-employment healthcare benefits:

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)****B. Liabilities (Continued)****2. Pension Plan Obligations (Continued)****b. Other Post-Employment Benefits (Continued)**

Annual Required Contribution	\$	124,872
Interest on Net OPEB Obligation		6,177
Adjustments to Annual Required Contribution		(18,714)
Annual OPEB Cost		<u>112,335</u>
Contributions Made		<u>(27,379)</u>
Increase in Net OPEB Obligation		84,956
Net OPEB Obligation, Beginning of Year		<u>154,415</u>
Net OPEB Obligation, End of Year	<u>\$</u>	<u>239,371</u>

The Organization's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations for 2013 were as follows:

Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB (Asset)/ Obligation
2010	\$ 153,800	64.00%	\$ 110,041
2011	153,800	56.00%	168,086
2012	124,872	99.00%	154,415
2013	124,872	24.37%	239,371

*Fund Status and Funding Progress.* As of June 30, 2012, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$778,767, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$778,767. The covered payroll (annual payroll of active employees covered by the plan) was \$9,723,728, and the ratio of the UAAL to the covered payroll was 8.01 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 cost trend. 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. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing, over time, relative to the actuarial accrued liabilities for benefits.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Liabilities (Continued)**

**2. Pension Plan Obligations (Continued)**

**b. Other Post-Employment Benefits (Continued)**

*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 perspective of the calculations.

In the June 30, 2012 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is the blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date. The medical cost trend rate of 10.00 percent. The dental cost trend increase of 5.00 percent was assumed. 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 five year period. The UAAL is being amortized as a level percentage of pay on an open basis. The remaining amortization period at June 30, 2012, was 20 years.

**c. Other Employment Benefits**

The Organization 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 service 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. Smoky Mountain Center for Mental Health, Development Disabilities, and Substance Abuse Services has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Smoky Mountain Center for Mental Health, Development Disabilities, and Substance Abuse Services considers these contributions to be immaterial.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Liabilities (Continued)**

**3. Risk Management**

The Organization is exposed to various risks of losses related to torts; malpractice; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization carries commercial insurance to cover substantially all risks of loss. The Organization obtains commercial general liability and professional liability coverage of \$1,000,000 per occurrence subject to a \$3,000,000 limit, liability and collision insurance coverage on vehicles of \$1,000,000 per occurrence, and workers' compensation coverage subject to a limit of \$1,000,000.

The Organization does not carry flood insurance as there are no properties located within areas designated as flood areas.

The Organization carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 159.29, the Organization's employees that have access to \$100 or more at a given time of the Organization's funds are performance bonded through a commercial surety bond. The Chief Executive Officer and the Chief Finance Officer are individually bonded for \$250,000.

**4. Contingent Liabilities**

From time to time, the Organization is party to other pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Organization's financial position or results of operations.

**5. Long-Term Obligations**

As of June 30, 2013, the long-term obligations of the Organization consisted of the following:

	Balance July 1, 2012	Net Increase (Decrease)	Balance June 30, 2013	Amounts Due within One Year
Governmental Activities:				
Compensated Absences	\$ 517,962	\$ 273,696	\$ 791,658	\$ 225,000
Total General Long-Term Debt	<u>\$ 517,962</u>	<u>\$ 273,696</u>	<u>\$ 791,658</u>	<u>\$ 225,000</u>

Compensated absences typically have been liquidated in the general fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 3 SUMMARY DISCLOSURES OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES**

**Non-Cancellable Operating Leases**

The Organization leases certain operating facilities under non-cancellable operating leases. Future lease payments due under these leases subsequent to June 30, 2013 are as follows:

Year Ending June 30,	Amount
2014	\$ 421,518
2015	209,116
2016	207,116
2017	194,376
2018	-
Thereafter	-
	<u>\$ 1,032,126</u>

Total rent expense for all operating leases amounted to \$392,843 for the year ended June 30, 2013.

**Federal and State Assistance Programs**

The Organization has received proceeds from several Federal and state grants. Periodic audits of these grants 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 grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

**NOTE 4 SUBSEQUENT EVENT**

During the year, the Organization entered into a management agreement with Western Highlands Area Authority to provide management and oversight of Western Highlands and its respective eight county catchment area. The Organization worked in partnership with DHHS, Western Highlands, Consumer and Family Advisory Council, providers, community stakeholders, and others to ensure a smooth transition of consumer services and all operations. Subsequent to year end, on October 1, 2013, all operations of Western Highlands were transitioned to the Organization as part of the continued reform of behavioral health systems in North Carolina.



**REQUIRED SUPPLEMENTARY FINANCIAL DATA  
(ADDITIONAL INFORMATION REQUIRED BY  
GOVERNMENTAL ACCOUNTING STANDARDS BOARD)**

- **SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFITS**
- **SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS**

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
OTHER POSTEMPLOYMENT BENEFITS  
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 Percentage Of Covered Payroll ((b-a)/c)
6/30/2009	\$ -	\$ 923,900	\$ 923,900	0.00%	\$ 9,054,000	10.2%
6/30/2012	-	778,767	778,767	0.00%	9,723,728	8.0%

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
OTHER POSTEMPLOYMENT BENEFITS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Schedule of Employer Contributions

<u>Year Ended June 30 (b)</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>
2010	\$ 153,800	64.00%
2011	153,800	56.00%
2012	124,872	99.00%
2013	124,872	21.93%

**SUPPLEMENTAL SCHEDULES  
FOR  
NC DHHS-DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE  
ABUSE SERVICES REPORTING**

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND  
SUBSTANCE ABUSE SERVICES  
SUPPLEMENTAL SCHEDULE  
BALANCE SHEET – GOVERNMENTAL FUNDS – MODIFIED ACCRUAL BASIS  
JUNE 30, 2013**

**ASSETS**

Cash and Cash Equivalents	\$ 29,003,587
Restricted Cash and Cash Equivalents	2,478,759
Accounts Receivable, Net of Allowance for Uncollectible Accounts and Contractual Allowances	1,858,441
Prepaid Expenses and Deposits	528,149
Other Expenses	1,314
Total Assets	<u>\$ 33,870,250</u>

**LIABILITIES**

Accounts Payable	\$ 2,602,852
Accrued Expenses	1,148,028
Liability for Claims Incurred, But Not Reported	8,154,544
Total Liabilities	<u>11,905,424</u>

**FUND BALANCES**

Nonspendable	529,463
Restricted:	
Stabilization of State Statute	1,858,441
Medicaid Risk Reserve	2,478,759
Committed	4,927,962
Unassigned	12,170,201
Total Fund Balances	<u>21,964,826</u>
Total Liabilities and Fund Balances	<u>\$ 33,870,250</u>

**Amounts Reported in the Statement of Net Assets are Different Because:**

Fund Balance	\$ 21,964,826
Capital Assets Used in Governmental Activities are not Financial Resources and therefore, are not Reported in the Funds	1,390,205
The Assets and Liabilities of the Internal Service Fund are included in government activities in the Statement of Net Position	996,346
Other Post Employment Benefits Payable	(239,371)
Liability for Compensated Absences is not Due and Payable in the Current Period and therefore, is not Reported in the Fund	(791,658)
	<u>\$ 23,320,348</u>

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENT DISABILITIES, AND  
SUBSTANCE ABUSE SERVICES  
SUPPLEMENTAL SCHEDULE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS – MODIFIED ACCRUAL BASIS  
YEAR ENDED JUNE 30, 2013**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Intergovernmental:				
State & Federal	\$ 31,929,582	\$ 30,781,872	\$ 29,272,481	\$ (1,509,391)
Local	1,570,066	1,536,492	1,514,579	(21,913)
Medicaid	120,845,349	123,929,811	124,783,794	853,983
Other Income	379,910	379,910	558,982	179,072
<b>Total Revenues</b>	<u>154,724,907</u>	<u>156,628,085</u>	<u>156,129,836</u>	<u>(498,249)</u>
<b>EXPENDITURES</b>				
Personnel	15,843,869	15,118,901	12,936,061	2,182,840
Professional Services	647,600	1,535,817	1,208,120	327,697
Supplies	214,980	154,380	107,391	46,989
Current Obligations	5,126,067	2,933,741	1,244,816	1,688,925
Fixed Expenses	1,184,049	1,181,103	798,883	382,220
Capital Outlay	650,000	725,000	290,656	434,344
Contracts	131,108,342	135,526,060	132,873,224	2,652,836
<b>Total Expenditures</b>	<u>154,774,907</u>	<u>157,175,002</u>	<u>149,459,151</u>	<u>7,715,851</u>
<b>Revenues Over Expenditures Before Other Financing Sources</b>	(50,000)	(546,917)	6,670,685	7,217,602
<b>OTHER FINANCING SOURCES:</b>				
Appropriated Fund Balance	<u>50,000</u>	<u>546,917</u>	<u>-</u>	<u>(546,917)</u>
<b>Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (546,917)</u>	<u>6,670,685</u>	<u>\$ 6,670,685</u>
Fund Balance - Beginning			<u>15,294,141</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 21,964,826</u>	

See accompanying Notes to Supplemental Schedules.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES**  
**SUPPLEMENTAL SCHEDULE RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS –  
MODIFIED ACCRUAL BASIS TO THE STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION**  
**JUNE 30, 2013**

Net Changes in Fund Balances - Total Governmental Funds	\$ 6,670,685
Governmental funds report 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 exceeded capital outlay in the current period.	(161,369)
Expenses related to compensated absences in the statement of activities that do not require current financial resources are not reported as expenses in the funds.	(273,696)
Expenses related to other post employment benefits in the statement of activities that do not require current financial resources are not reported as expenses in the funds.	(84,957)
Change in net assets of the internal service fund reported separately in the supplemental governmental statements	(183,406)
Book value of disposed capital assets	<u>(56,204)</u>
Change in Net Assets	<u>\$ 5,911,053</u>

*See accompanying Notes to Supplemental Schedules.*

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
SCHEDULE OF COMMITTED FUND BALANCES  
JUNE 30, 2013**

Committed Fund Balances:

Unemployment Compensation	\$ 250,000
Annual Leave Payout	325,000
Legal Actions	270,006
Administrative Offices	1,957,787
Medicaid Waiver Readiness	1,625,169
Retention Risk Reserve	500,000
	<u>\$ 4,927,962</u>

*See accompanying Notes to Supplemental Schedules.*



**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,  
AND SUBSTANCE ABUSE SERVICES  
STATEMENT OF NET POSITION-INTERNAL SERVICE FUND  
JUNE 30, 2013**

**ASSETS**

## Current Assets

Cash and Cash Equivalents	\$ 1,015,972
Stop Loss Receivable	-
Total current assets	<u>\$ 1,015,972</u>

**LIABILITIES**

Claims Payable	\$ 19,625
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**NET ASSETS**

Unrestricted	996,347
Total Net Assets	<u>\$ 996,347</u>

See accompanying Notes to Supplemental Schedules.

**SMOKY MOUNTAIN CENTERR FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND  
SUBSTANCE ABUSE SERVICES  
STATEMENT OF CHANGES IN NET POSITION – INTERNAL SERVICE FUND  
JUNE 30, 2013**

**Operating Revenues:**

Contributions	
Employer	\$ 3,420
Employee	-
Stop Loss Coverage	527
Cobra Payments	1,346
Refunds	6,218
Total Operating Revenues	<u>11,511</u>

**Operating Expenses:**

Claims Paid	32,660
Administrative Expenses	10,983
Insurance Premiums	151,805
	<u>195,448</u>

**Nonoperating Revenues:**

Interest Income	<u>531</u>
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Change in Net Position	(183,406)
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Net Position, Beginning of Year	<u>1,179,753</u>
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Net Position, End of Year	<u><u>\$ 996,347</u></u>
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See accompanying Notes to Supplemental Schedules.

## **Compliance Section**



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**INDEPENDENT AUDITORS' 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**

To the Area Board of Directors  
Smoky Mountain Center for Mental Health, Development Disabilities,  
and Substance Abuse Services  
Sylva, North Carolina

We have audited, in accordance with the 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, the financial statements of the business-type activities of Smoky Mountain Center for Mental Health, Development Disabilities, and Substance Abuse Services (the "Organization"), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements, and have issued our report thereon dated November 27, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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 a 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
November 27, 2013



**CliftonLarsonAllen**

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL AND STATE PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

To the Area Board of Directors  
Smoky Mountain Center for Mental Health, Development Disabilities,  
and Substance Abuse Services  
Sylva, North Carolina

**Report on Compliance for Each Major Federal and State Program**

We have audited Smoky Mountain Center for Mental Health, Development Disabilities, and Substance Abuse Services' (the "Organization") compliance with the types of compliance requirements described in the *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 its major federal and state programs for the year ended June 30, 2013. The Organization's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Organization's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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 *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission. Those standards, OMB Circular A-133 and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission 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 and state program occurred. An audit includes examining, on a test basis, evidence about Cardinal Innovations Healthcare Solutions' 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 on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Organization's compliance.

**Opinion on Each Major Federal and State Program**

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2013.

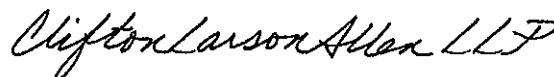
**Report on Internal Control Over Compliance**

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program 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 Organization'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 and 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 federal and state program will not be prevented, or detected and corrected, on a timely basis. *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 and 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.

Our consideration of 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133 and the Audit Manual for Governmental Auditors in North Carolina. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
November 27, 2013

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENT DISABILITIES, AND  
SUBSTANCE ABUSE SERVICES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2013**

**SECTION I – SUMMARY OF AUDITORS' RESULTS**

Financial Statements

Type of auditors' report issued: Unmodified.

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified?  yes  no
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

Type of auditors' report issued on compliance for major Federal programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?  yes  no

Identification of major Federal programs:

CFDA Numbers                      Names of Federal Program or Cluster

93.958                                  Block Grant for Community Mental Health Programs

The above programs are tested as part of a state identified unit cost cluster.

Dollar threshold used to distinguish between Type A and Type B Programs \$ 300,000

Auditee qualified as low-risk auditee?  yes  no



**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENT DISABILITIES, AND  
SUBSTANCE ABUSE SERVICES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2013**

**SECTION I – SUMMARY OF AUDITORS' RESULTS (CONTINUED)**

**State Awards**

Internal Control over major State programs:

- Material weakness(es) identified?                                    \_\_\_yes                                      X  no
- Significant deficiencies identified  
that are not considered to be material weaknesses?                                    \_\_\_yes                                      X  no
- Noncompliance material to State awards?                                    \_\_\_yes                                      X  no

Type of auditors' report issued on compliance for major State programs: Unqualified.

Any audit findings disclosed that are  
required to be reported in accordance  
with the State Single Audit Implementation Act?                                    \_\_\_yes                                      X  no

Identification of major State programs:

**Program Name**

LME Systems Management  
Single Stream Funding  
Crisis Services

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None reported.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None reported.

**SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS**

None reported.

**SECTION V – SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

None reported.

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND  
SUBSTANCE ABUSE SERVICES  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2013**

	<u>Federal Expenditures</u>	<u>State Expenditures</u>
<b>Federal Awards</b>		
<u>U.S. Department of Housing and Urban Development</u>		
Shelter Plus Care Program	14.238 \$ 509,775	\$ -
Total U.S. Department of Housing and Urban Development	509,775	-
<u>U.S. Department of Health and Human Services</u>		
<u>Substance Abuse and Mental Health Service Administration</u>		
Passed-through the NC Dept. of Health and Human Services:		
Division of Mental Health, Developmental Disabilities and Substance Abuse Services:		
Block Grant for Community Mental Health Services -		
Community Based Program-Mental Health	93.958 871,781	-
Block Grant for Prevention and Treatment of Substance Abuse -		
Substance Abuse-Substance Abuse Prevention	93.959 217,811	-
Total U.S. Department of Health and Human Services	1,089,592	-
Total Federal Awards and State Matches	1,599,367	-
<b>State Awards</b>		
NC Department of Health and Human Services		
Division of Mental Health, Developmental Disabilities and Substance Abuse Services:		
Single Stream Funding	-	30,711,355
LME System Management	-	1,185,300
LME Processed Medicaid C1	-	39,273
Crisis Services	-	1,272,124
Multidisciplinary Evaluation	-	6,800
Total Division of Mental Health, Developmental Disabilities and Substance Abuse Services:	-	33,214,852
Total State Awards	-	33,214,852
Total Federal and State Awards	<u>\$ 1,599,367</u>	<u>\$ 33,214,852</u>

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENT DISABILITIES, AND SUBSTANCE  
ABUSE SERVICES  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2013**

<u>Subrecipients Name</u>	<u>Program Name</u>	<u>Division Account</u>	<u>Federal Dollars</u>	<u>State Dollars</u>
Appalachian Community Services	Facility Based Crisis	536998-1422-5220-00-2J Non-UCR Single Stream	\$ -	\$ 1,091,116
Appalachian Community Services	Jail Programs	536998-1422-5220-00-2J Non-UCR Single Stream	-	-
Appalachian Community Services	Mobile Crisis Emergency	536998-1422-5220-00-2J Non-UCR Single Stream	-	1,378,412
Appalachian Community Services	Mobile Hospital Transport	536998-1422-5220-00-2J Non-UCR Single Stream	-	2,758
Appalachian Community Services	Walk-In/Psychiatric/Basic Services	536998-1422-5220-00-2J Non-UCR Single Stream	-	1,550,945
ARP/Phoenix	Substance Abuse Prevent&Treat Block Grant	536915-1271-4295-XP-2J Non-UCR Child SA Prevention	76,150	-
Barium Springs Home for Children	First In Families	536998-1422-5220-00-2J Non-UCR Single Stream	-	129,595
Clay Wilson, Cognitive Connection	Juvenile Justice Treatment Cont.	536974-1442-4293-5B-2J Non-UCR Child SA	-	18,720
Daymark Recovery Services	ACTT	536998-1422-5220-00-2J Non-UCR Single Stream	-	478,028
Daymark Recovery Services	Intensive In Home	536998-1422-5220-00-2J Non-UCR Single Stream	-	55,000
Daymark Recovery Services	Jail Diversion	536975-1461-5221-5A-2J Non-UCR Adult MH	3,561	-
Daymark Recovery Services	Mobile Crisis Emergency	536998-1422-5220-00-2J Non-UCR Single Stream	-	721,430
Daymark Recovery Services	Psycho-Social Rehab	536998-1422-5220-00-2J Non-UCR Single Stream	-	85,000
Daymark Recovery Services	Psychiatric/Walk In/Basic	536998-1422-5220-00-2J Non-UCR Single Stream	-	1,667,492
Daymark Recovery Services	Recovery Education Centers (REC)	536998-1422-5220-00-2J Non-UCR Single Stream	-	434,667
Daymark Recovery Services	SA - Work First Activities	536975-1463-4291-5B-2J NonUCR Adult SA (WF/Meth)	40,000	-
Daymark Recovery Services	SAIOPT Services	536998-1422-5220-00-2J Non-UCR Single Stream	-	379,818
Meridian Behavioral Health	ACTT	536998-1422-5220-00-2J Non-UCR Single Stream	-	276,566
Meridian Behavioral Health	Child Meth Activities	536998-1422-5220-00-2J Non-UCR Single Stream	-	332
Meridian Behavioral Health	Juvenile Justice Treatment Cont.	536998-1422-5220-00-2J Non-UCR Single Stream	-	219,955
Meridian Behavioral Health	Offender Services DVIP/SAIP	536998-1422-5220-00-2J Non-UCR Single Stream	-	196,000
Meridian Behavioral Health	Peer Support Training	536998-1422-5220-00-2J Non-UCR Single Stream	-	10,000
Meridian Behavioral Health	Psycho-Social Rehab	536998-1422-5220-00-2J Non-UCR Single Stream	-	60,000
Meridian Behavioral Health	Psychiatric/Med Mgmt	536998-1422-5220-00-2J Non-UCR Single Stream	-	75,000
Meridian Behavioral Health	Recovery Education Centers (REC)	536998-1422-5220-00-2J Non-UCR Single Stream	-	980,085
Meridian Behavioral Health	SA - Work First Activities	536975-1463-4291-5B-2J NonUCR Adult SA (WF/Meth)	54,296	-
Meridian Behavioral Health	SAIOPT Services	536998-1422-5220-00-2J Non-UCR Single Stream	-	135,000
Mountain Projects	Substance Abuse Prevent&Treat Block Grant	536915-1271-4295-XP-2J Non-UCR Child SA Prevention	36,756	-
Pathways for the Future	First In Families	536998-1422-5220-00-2J Non-UCR Single Stream	-	63,326
RHA Health Services	Child Meth Activities	536974-1444-2291-6Z-2J Non-UCR Child MH	-	23,248
RHA Health Services	Deaf and Hard of Hearing	536995-1461-2292-6Z-2J Non-UCR Other MH	135,500	-
RHA Health Services	Deaf and Hard of Hearing	536998-1422-5220-00-2J Non-UCR Single Stream	-	584,414
RHA Health Services	General Transport	536998-1422-5220-00-2J Non-UCR Single Stream	-	-
RHA Health Services	Intensive In Home	536998-1422-5220-00-2J Non-UCR Single Stream	-	34,857
RHA Health Services	Medication Assistance Program	536998-1422-5220-00-2J Non-UCR Single Stream	-	440
RHA Health Services	Mobile Crisis Emergency	536998-1422-5220-00-2J Non-UCR Single Stream	-	593,761
RHA Health Services	Mobile Hospital Transport	536998-1422-5220-00-2J Non-UCR Single Stream	-	23,519
RHA Health Services	One Time Exp - Vehicle purchase	536998-1422-5220-00-2J Non-UCR Single Stream	-	43,138
RHA Health Services	Psychiatric/Walk In/Basic/REC	536998-1422-5220-00-2J Non-UCR Single Stream	-	1,233,928
RHA Health Services	SAIOPT Services	536998-1422-5220-00-2J Non-UCR Single Stream	-	248,062
RHA Health Services	NC Start positions/Respite	536998-1422-5220-00-2J Non-UCR Single Stream	-	36,727
RHA Health Services	SA - Work First Activities	536975-1463-4291-5B-2J NonUCR Adult SA (WF/Meth)	25,704	-
Southwestern Child Development	Respite Vouchers	536998-1422-5220-00-2J Non-UCR Single Stream	-	25,560
Youth Villages	Juvenile Justice Coord Position	536998-1422-5220-00-2J Non-UCR Single Stream	-	60,000
Western Youth Network	Substance Abuse Prevent&Treat Block Grant	536915-1271-4295-XP-2J Non-UCR Child SA Prevention	117,591	-
			<u>\$ 489,558</u>	<u>\$ 12,916,898</u>

**SMOKY MOUNTAIN CENTER FOR MENTAL HEALTH, DEVELOPMENT DISABILITIES, AND  
SUBSTANCE ABUSE SERVICES  
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2013**

Basis of Presentation

The accompanying 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 is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

**AGENDA ITEM 6:**

**PRESENTATION OF APPALACHIAN DISTRICT HEALTH DEPARTMENT'S ANNUAL REPORT AND STATE OF THE COUNTY HEALTH REPORT**

**MANAGER'S COMMENTS:**

Ms. Beth Lovette, Appalachian District Health Director, will present the health department's annual report for Fiscal Year 2012-2013 along with the state of the county health report.

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



# APPALACHIAN DISTRICT HEALTH DEPARTMENT

DISTRICT OFFICE: 126 Poplar Grove Connector, Boone, NC 28607

Telephone 828-264-4995 Fax 828-264-4997

[www.apphealth.com](http://www.apphealth.com)



*Health for All: Promote. Prevent. Empower.*

**Memo to:** Deron Geouque, Watauga County Manager  
**Memo from:** Beth Lovette, Health Director, Appalachian District Health Department  
**Subject:** Health Department Annual Report and State of the County Health Report  
**Date:** January 8, 2014

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This memo is to request an opportunity to present the Appalachian District Health Department Annual Report for Fiscal Year 2012-13 and the current State of the County Health Report to the Watauga County Board of Commissioners. I know we had discussed a January meeting, but weather has changed by evening commitments in January. If possible, I would like present on Tuesday, February 4 at the 8:30 AM meeting. If this time is not available, please let me know what would work best.

Attached is a PDF file of the Annual Report. I will bring copies to the meeting. I will also forward a copy of the State of the County Health Report as soon as it is finalized.

Thank you for your willingness to work with me to continue to improve public's health in Watauga County!

BUSINESS OFFICE  
 PO Box 309  
 Sparta, NC 28675  
 336-372-8813  
 336-372-7793 Fax

ALLEGHANY CO. HEALTH DEPT.  
 157 Health Services Road  
 Sparta, NC 28675  
 336-372-5641  
 336-372-7793 Fax

ASHE CO. HEALTH DEPT.  
 PO Box 208  
 Jefferson, NC 28640  
 336-246-9449  
 336-246-8163 Fax

WATAUGA CO. HEALTH DEPT.  
 126 Poplar Grove Connector  
 Boone, NC 28607  
 828-264-6635  
 828-264-4997 Fax



# HEALTH FOR ALL: PROMOTE. PREVENT. EMPOWER.

## Appalachian District Health Department

### ANNUAL REPORT 2012 –2013

**INSIDE:**

**Page 2** Community Transformation Grant

**Page 3** Community Transformation Grant (cont.), Healthy Youth, Customer Service

**Page 4** Electronic Medical Records, Data Graphs (Communicable Disease, Environmental Health

Letter from Ken Richardson, Appalachian District Board Chair:

It has been my pleasure to serve Alleghany, Ashe and Watauga Counties as Chair of the Appalachian District Board of Health. Our District Health Department is one of six multi-county health departments in North Carolina that take advantage of the cost savings that can be achieved through sharing staff and resources across county lines. A recent study showed that district health departments, on average, receive larger proportions of funding from sources other than your county tax dollars.

(Comparing North Carolina’s Local Public Health Agencies: The Legal Landscape, the Perspectives, and the Numbers; UNC School of Government, May 2012.) Appalachian District Health Department currently receives 16% of total funding from county allocations to the District health budget. Governance of Appalachian District Health Department is through the Board of Health. Each county appoints one county commissioner to the Board of Health and those three commissioners appoint the other board members as outlined in NC General Statutes. Many thanks to Commissioner Karen Leys, Alleghany; Commissioner Judy Poe, Ashe; and Commissioner Perry Yates, Watauga for their dedication to the health of the counties they serve. A complete Board of Health member listing, meeting schedules, agendas and minutes can be found at <http://www.apphealth.com/about-us/board-of-health/>.

Greetings,

I have been the Local Health Director with the Appalachian District Health Department for two years now, working with a great team to improve the public’s health in Alleghany, Ashe and Watauga Counties. We strive to promote safe and healthy living, prevent disease and protect the environment through education and the provision of the essential services of public health. We provide full service health departments in each county – including health care services for all ages, women’s health services, communicable disease tracking, trending and treatment, immunizations, environmental health inspections and permitting and emergency preparedness. We are also pleased to work within each county to provide health promotion/prevention activities that help all of our citizens improve their health. If you have a question about public health or public health services, please don’t hesitate to call any one of our health departments for assistance.

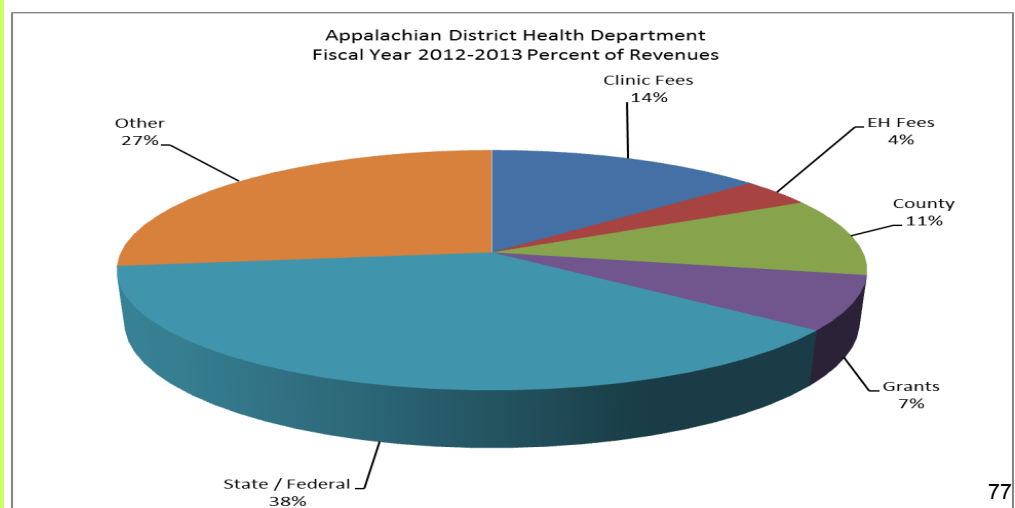
The NC Association of Local Health Directors recently adopted five specific goals from Healthy North Carolina 2020 objectives. The table can be found at [www.apphealth.com](http://www.apphealth.com) and demonstrates the alignment of our District’s top health initiatives developed from our Community Health Needs Assessment with NC 2020 goals for local health departments.

For details around individual strategies for each county, please contact me at [beth.lovette@apphealth.com](mailto:beth.lovette@apphealth.com). Or visit our website at [www.apphealth.com](http://www.apphealth.com).

Yours in good health,

*Beth*

Beth Lovette, RN, MPH, Health Director





## ACHIEVING TARGETED IMPROVEMENTS IN HEALTH OUTCOMES

The Communities Putting Prevention to Work set the stage for the Appalachian District community to lead efforts with the Community Transformation Grant Project, a five year Centers for Disease Control and Prevention Grant, in partnership with the NC Region 3 health departments and Appalachian Partners in Public Health. This initiative serves the Appalachian District plus Wilkes, Yadkin, Stokes, Surry, Forsyth, Davie, and Davidson Counties. The Community Transformation Grant Project FY 12-13 accomplishments include:

### #1 TOBACCO FREE LIVING

Development of a regional tobacco prevention and control plan, including support for landlords of private, affordable housing, and the Northwest Regional Housing Authority in creating smoke-free multi-unit housing over the next several months while offering resources for individuals to quit tobacco use. To learn more about resources or projects like this across NC, go to [www.smokefreehousingnc.com](http://www.smokefreehousingnc.com)

#### **Tobacco prevention and control**

Tobacco use is still the leading cause of preventable death in the United States. To be most effective in reversing diseases caused by tobacco use, Appalachian District has partnered with Wilkes and Caldwell Counties with the Northwest Tobacco Prevention Coalition to help prevent youth from initiating smoking, protect individuals from harmful secondhand smoke, and provide resources to individuals, clinicians, business owners, and others interested in supporting those who want to quit. In 2012-13, the Northwest Tobacco Prevention Coalition, in partnership with the Region 3 counties, made the following accomplishments

-8 youth groups received mini-grants to be peer spokespersons in their school and community to prevent youth from smoking and promote smoke-free opportunities in the community

The Fiscal Year 2012-2013 brought Appalachian District Health Department the opportunity for a Youth Tobacco Prevention Grant, allowing for continued efforts in decreasing youth initiation through creating and sustaining TRU clubs.

A region wide training was held at The Vineyard in Stokes County North Carolina. Approximately 80 students from seven schools across the region attended the training. They did YES! Advocacy training for half the day, the other half they did team building activities. The training conducted by YES! was aimed toward policy and advocacy.

Davidson and Forsyth County combined to do their own youth training at Thomasville High School in Davidson County.

The Oakwoods Country Club located in Wilkesboro, decided to implement a smoke-free indoors policy. The NC Quitline was advertised through various forms of media (internet, newspaper, TV, billboards, radio) in an effort to reach more individuals who want to quit. Learn more at [www.quitlinenc.com](http://www.quitlinenc.com)

### #2 OBESITY PREVENTION

In 2012-13, Appalachian District continued to make great strides. Strong partnerships and opportunities were provided by the Communities Putting Prevention to Work grant. Accomplishments included:

-The Take Step Two campaign, to invite the community to take charge by taking the next step at [www.takestepstwo.com](http://www.takestepstwo.com)

-31 childcare centers adopting new or revised policies to enhance nutrition and/or physical activity

-3 school districts increased resources for promoting healthy, active lifestyles among students and staff

-Multiple healthy eating supports such as community gardens at schools, senior centers, and multi-unit housing communities

-Support and outreach to those most in need, such as expansion of Ashe Outreach Ministries and initiation of a healthy living initiative at the Hospitality House of Boone, and cooking supplies for the F.A.R.M. Café in Boone.

-Support and funding to all three counties' Farmer's Markets to increase marketing opportunities to promote healthy eating as well as customer-centered acceptance of SNAP-EBT and WIC farmer's market vouchers

-Serving as grant holder and developing partnerships with Blue Ridge Women in Agriculture and Heifer International to be a founding partner of Blue Ridge Seeds of Change. Find out more at <http://www.blueridgeseedsofchange.org/>

-Partnerships within the region to increase active living and support our economy including:

-**Sparta, West Jefferson, and Boone** all adopting complete streets resolutions to support the consideration of all infrastructures for safe use of roadways by all users including pedestrians, cyclists, and bus riders when possible

-Town of **Sparta** to develop a streetscape plan to increase safe, active pedestrian activity downtown

-Town of **West Jefferson** implemented a redesigned streetscape to provide safe, active pedestrian activity downtown

-**Watauga County Tourism Development Authority** placed prime signage to promote the Rocky Knob Bike Park

-**High Country Pathways** completed design to open the first link of the Middle Fork Greenway

### #3 ACTIVE LIVING

CTG (partnered with Appalachian Partners in Public Health) has contracted with Destination by Design to conduct a regional built environment assessment. Through this process, the regional collaborative and community partners identified projects for each individual county. Alleghany County identified the Alleghany Wellness Center to create a site Master Plan. Ashe County identified Beaver Creek Trail Master Plan and Watauga County identified Middle Fork Greenway as top priorities. To see the *Health by Design Region 3 Master Plan*, go to [http://issuu.com/dbdplanning/docs/health\\_by\\_design?e=0/4503531](http://issuu.com/dbdplanning/docs/health_by_design?e=0/4503531)



#### #4 HEALTHY EATING

- Supporting 5 Community Supported Agriculture (CSA) Programs to increase availability/promotion of healthy eating.
- Provided tables, tents, and signage for the Lansing Farmers' Market.
- Conducted cooking demos at local markets with Blue Ridge Seeds of Change, Blue Ridge Women in Agriculture and the Children's Playhouse in Watauga County.
- Conducted trainings w/Appalachian Sustainable Agriculture Project (ASAP) for farmers and market managers to increase availability and promotion of healthy eating.

#### #5 OVERALL

Development of a regional collaborative. To date, the collaborative has met in December and June bringing in community partners from various sectors such as: planning, parks and recreation, school nurses, farmers and multi-unit housing property owners to discuss CTG strategies and recognize community partners for their efforts.

Dissemination of a regional media campaign highlighting local farmer's markets, smoke-free housing, and Community Transformation Grant Project efforts at [www.nwtransformationproject.org](http://www.nwtransformationproject.org)

### Fostering a Positive Customer-Focused Culture

Appalachian District Health Department is making strides to ensure that our clients receive the best experience possible, whether they are bringing their children in for immunizations or applying for a septic permit, we want them to be satisfied with our services.

***During the past year***, ADHD has implemented a selection of surveys to assess the client experience. First, a client satisfaction survey was put into operation in the clinics. This survey allows our clients the opportunity to provide feedback on whether or not our staff were friendly and respectful; delivered timely service; if our hours of operation met their needs; if they would recommend our services to others; etc. The survey results are driving us to change the way we do business, from ensuring a smiling face at check in to figuring out how to decrease wait times. ***Next***, a client satisfaction survey was implemented in the Environmental Health Offices, and placed on our website. This survey allows building contractors, realtors, restaurant owners and community members to provide feedback on how we can continually improve our services. The Environmental Health Advisory Committee was created to evaluate all aspects of the water protection permitting process. The committee, with representation from both private and public sectors, worked to improve the quality and efficiency of the water protection permitting process. Additionally, EH Staff have instituted new Quality Assurance Plans for both water protection and food/lodging sections which include internal review of permits/inspection reports and staff performance as well as yearly evaluation of the programs by the state. Finally, EH staff are striving to improve communication with stakeholders by providing education classes and monthly reports outlining permitting, fee collection and permit turn-around times to realtors, local home building associations and food service staff. ***Last***, a community survey was conducted to determine if there are any gaps in services in the community and to assess how the health department is doing as a whole. Suggestions from the community included: expanding dental health services, hiring an interpreter, offering some late clinics, and for us to continue to support promotion of local foods program with community partners. ***Appalachian District Health Department*** is continuously looking for ways to improve operations and is using input from customers and the community to guide those improvements. Our aim is to assess the effectiveness of our services, improve health outcomes, and provide accountability to elected officials and the public.

### HEALTHY YOUTH

*Health by Design Region 3 Master Plan. Health by Design Region 3 Master Plan. Positive Parenting Program:*

#### **Supporting positive outcomes for youth with Triple P**

In 2012, Appalachian District began working toward community supports for positive parenting in recognition of data received in the 2011 Community Health Assessment. As a recipient of a NC Division of Public Health grant, Appalachian District has begun providing supports for positive parenting in partnership with Smart Start Partnerships and other key community partners. Triple P is an evidence-based program that has been shown to decrease substantiated cases of child maltreatment and abuse. The program provides easy to use information and tips that everyone working with families can use to help parents respond to challenging parenting situations and build positive relationships with their children. In 2012-13, 31 community providers achieved Accreditation status as Triple P Practitioners. They will be using this to provide support and tools in partnership with parents as they build on strengths. Collaboration with Ashe Partnership for Children and The Children's Council in Watauga County has provided groundwork for the development of a district-wide steering committee. In the upcoming year, the group will be increasing its capacity through training of additional practitioners and increasing public awareness so parents know how to access the services within their community. A chief priority for the 2013-14 year will be launching the program in Alleghany County in collaboration with community partners and the Alleghany Partnership for Children.

#### **Substance abuse prevention for youth**

In 2012-13, Appalachian District Health Department continued partnership with the Watauga Substance Abuse Prevention collaborative group. One prime way this group has been involved includes review of current data with community leaders and partners. In 2012, Appalachian District Health Department provided guidance and support to Watauga County Schools and Watauga Substance Abuse Prevention in their utilization of the Youth Risk Behavior Survey. These reports provide key baseline data which may be tracked over time to focus efforts for successful outcomes that support healthy living and positive academic outcomes among high school youth. Find out more at: <https://www.facebook.com/WataugaSAP>

#### **Prescription Medication Abuse Prevention**

Appalachian District Health Department is a partner with the Project Lazarus coalition, led by Rachel Florence with High Country Community Health. The

Visit our website at [www.apphealth.com](http://www.apphealth.com)





**COMMUNICABLE DISEASE REPORT 2012\***

\*The complete report can be viewed At [www.apphealth.com](http://www.apphealth.com)

**NEW: Electronic Medical Records**

When you visit the health department clinic, you might be surprised that the nurse is no longer documenting on a paper chart but instead is using a small computer tablet. Public Health has gone high-tech! In an effort to maximize efficiencies and improve the quality of patient care, Appalachian District Health Department implemented “Patagonia Health”, a new Electronic Medical Record (EMR) in all three local health departments. Patagonia Health is a Meaningful Use Certified EMR, which means the health departments receive federal incentives for each provider using the system. There are specific public health applications within the EMR that keep us in compliance with state and federal programs. The integration of Patagonia Health EMR has led to opportunities for quality improvement. EMRs can help improve health care quality, efficiency, and safety in the following ways:

- \*Quick access to patient records for more coordinated, efficient care
- \*Enhanced decision support, clinical alerts, reminders, and medical information
- \*Legible, complete documentation that facilitates accurate coding and billing
- \*Safer, more reliable prescribing
- \*Reduced need to fill out the same forms at each office visit
- \*Reliable point-of-care information and reminders notifying providers of important health interventions
- \*Convenience of e-prescriptions electronically sent to pharmacy

DISEASE	ALLEGHANY CASES 2012	ASHE CASES 2012	WATAUGA CASES 2012	DISTRICT TOTAL PER DISEASE 2012
Chlamydia	19	23	107	149
E.coli-shiga toxin producing	0	1	0	1
Gonorrhea	0	1	8	9
Haemophilus Influenza	0	0	1	1
Hepatitis A	0	0	1	1
Hepatitis B-Acute	0	0	0	0
Hepatitis B-Chronic	0	0	3	3
Lyme Disease	1	1	4	6
Meningitis-disease	0	0	1	1
Non-gonococcal urethritis	0	0	1	1
Pertussis	1	7	0	8
Rocky Mountain Spotted Fever	0	1	2	3
Salmonellosis	1	5	5	11
Syphilis	0	0	0	0
Tuberculosis	1	0	0	1

Each county Communicable Disease nurse works closely with county Animal Control to quickly identify potential rabies exposures and to recommend the appropriate course of treatment. The Communicable Disease nurse investigates each report of an animal bite or bat exposure to determine if there is a true potential for an exposure to rabies. The following shows rabies statistics for the calendar year 2012.

RABIES STATISTICS 2012	Alleghany	Ashe	Watauga	District Totals
Number of bite/exposure reports	12	49	99	160
Number of animals that tested positive from those reported	2	1	3	6
Number of persons for whom Post-Exposure Rabies Therapy was recommended	3	3	22	28

**FOOD & LODGING ACTIVITIES**

COUNTY	Inspections	Compliance Visits	Food, Lodging, Pool Permits	Consultative Site Visits
Ashe	194	12	54	389
Alleghany	199	12	39	156
Watauga	593	55	223	460
District Totals	986	79	316	1005

**WATER PROTECTION UPDATE**

COUNTY	Permits Issued	Avg days to first visit	Avg days to issuance
Ashe	796	11	16
Alleghany	397	4	8
Watauga	910	13	19
District Totals	2103	9	14

Visit our website at [www.apphealth.com](http://www.apphealth.com)

# Watauga County Health Department

**Clinic Phone: 264-6635    Environmental Health Phone: 264-4995**

**Travel Vaccines**

The Health Department nurses are trained in the administration and consultation of travel vaccines. The nurse uses the Center for Disease Control (CDC) web site to advise the traveler on recommended vaccines for their destination. The nurse reviews the vaccines the traveler has already had (if record is available) and provides them with the most recent information available about vaccines. During the Travel Consultation the nurse also advises on the need for common adult vaccines which include Tdap, Hepatitis A, Hepatitis B, Varicella, Influenza, and Pneumonia. Vaccines administered for travel may include Typhoid, MMR, Meningitis, Polio, Rabies and Yellow Fever. Parents with children who travel are educated on the Childhood Vaccine Schedule as well as travel vaccines for the child. The consultation also includes education on the spread and prevention of other diseases/illnesses for the travel destination for which there are no vaccines such as Malaria. If needed the traveler is provided with a prescription for Malaria prevention medication. Appalachian District Health Dept. has the distinction of being the only designated Yellow Fever Vaccination Center in the High Country. This service is frequently utilized by travelers with Samaritan's Purse, App State, sight seers and mission trips. Insurance plans can be billed for the service or clients can pay privately.

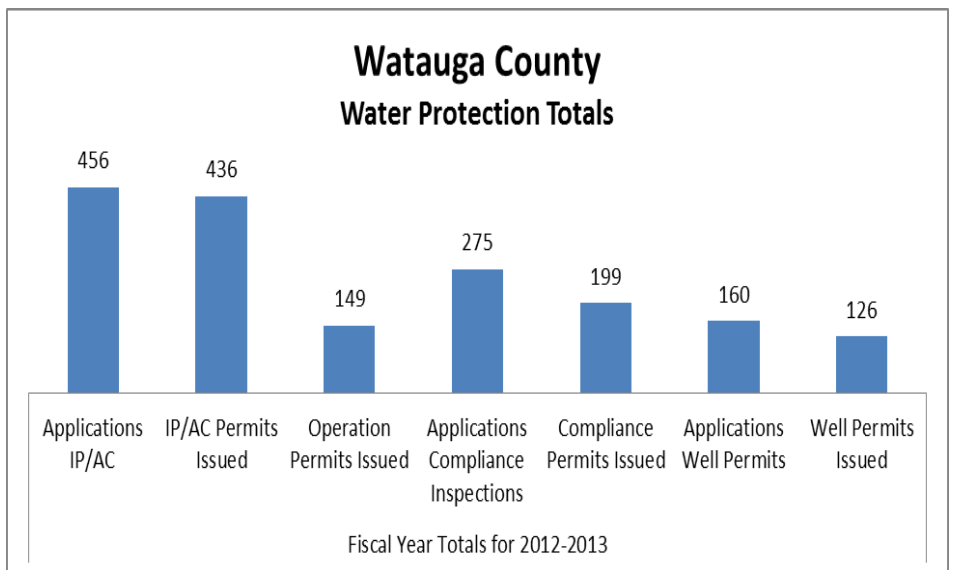
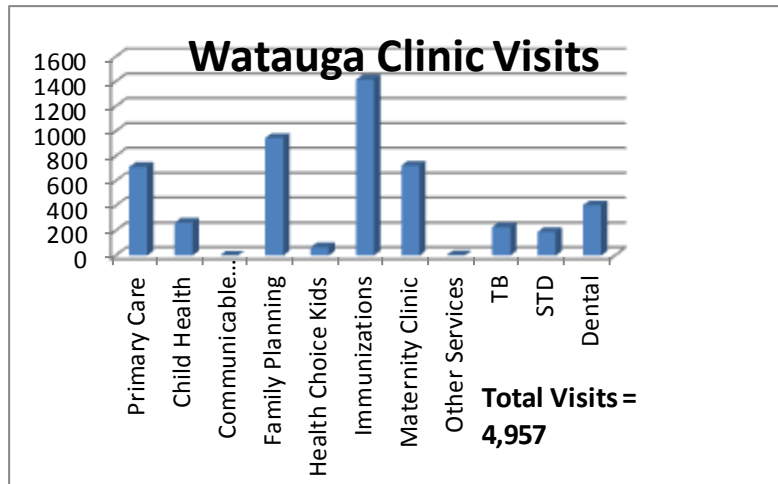
**Watauga Health Department Staffing**

- ◆ 40 Employees work in the Watauga County Health Department Programs.
- ◆ 3 positions are Environmental Health Specialists working in the Water Protection Program (well and septic permitting).
- ◆ 11 additional employees serve Watauga in leadership roles for the District (serving all three counties).
- ◆ Pediatric Dentistry: Dr. Dean Stacy, DDS, every Tuesday, Dr. Robbie Bridgeman, DDS, every Friday.
- ◆ Dr. Danielle Darter, a Family Practice physician with certification in women's health and Rachel Bridgeman, Family Nurse Practitioner, provide high quality, compassionate care five days/week.

**Environmental Health Update:**

With the resignation of Alan McKinney, the District promoted Joe Holder to the District Program Specialist for Water Protection programs. Joe brings years of experience from Alleghany, Surry and Forsyth Counties.

We continue to work with a group of stakeholders through the Environmental Health Advisory Committee. A key recommendation of the Committee has been moving away from cumbersome paper forms and adopting new information technology. The Board of Health funded new, improved technology for Food and Lodging permitting and inspections and Water Protection permitting and inspections. When fully implemented we expect efficiency and customer service will continue to improve as we strive to move toward a paperless system and improved integration with our county partners.



Service programs provided by the health department in Fiscal Year 2012-13 with programs that are mandated by the State in **bold type**.

**Family Planning**

**Maternal Health**

Dental

**Tuberculosis**

Komen Grant

**Child Health**

Primary Care/Adult Health

**AIDS/HIV**

Diabetes Self Management

**Immunizations**

Wise Woman

Ashe School Based Health Center

**Pregnancy Care Management**

Alleghany Community Alternatives Program for Disabled

Adults

**Care Coordination for Children**

Youth Tobacco Prevention

Positive Parenting Program (Triple P)

**Community Health Promotion and Wellness**

Northwest Tobacco Prevention

Community Transformation Grant

Communities Putting Prevention to Work Grant

**Water Protection (Septic and Well permitting)**

**Food and Lodging (Permitting and Inspections)**

General Administration

**Emergency Preparedness**

Alleghany/Ashe Health Alliance

Seeds of Change Grant

School Nurse Initiative

Northwest Incubator Project

**Women, Infants, Children Nutrition Program**

## How can your Health Department help you?

- **Need a doctor? Call us. We accept almost all insurance plans, including Medicaid, Medicare, BCBS and private patient pay on a sliding fee scale.**
- **Need a dentist for your child? Call us to schedule an appointment. We see kids with Medicaid or private pay on a sliding fee scale.**
- **Health screenings**
- **Flu shots or most other immunizations.**
- **Keeps food served to the public safe.**
- **Protects your drinking/ground water.**
- **Breastfeeding support**
- **Diabetes support**
- **Nutrition counseling**
- **Speakers on health topics for small or large groups**
- **Broad range of Health Statistics**
- **Annual community health assessment update**

**Get your flu shot today.  
No appointment necessary.**

**Watauga County Health Department Contact Information**

Beth Lovette, Health Director	beth.lovette@apphealth.com	336-264-4995
Sandy Shumate, Director of Nursing	sandy.shumate@apphealth.com	336-372-5641
Pam Rush, Clinical Supervisor	prush@apphealth.com	828-264-6635
Andrew Blethen, EH Supervisor	andrew.blethen@apphealth.com	828-264-4995

## Watauga Permit Tracking 2013

Month	Watauga	
	Average Days until first visit	Average Days until issuance
January	8	10
February	13	18
March	14	18
April	16	22
May	15	19
June	15	19
July	14	19
August	16	21
September	7	12
October	6	24
November	2	11
December	4	12
<b>Average for Year</b>	<b>10.83333333</b>	<b>17.08333333</b>

\*Tracking times exclude any permits that have taken more than 90 days to issue.

## Permit Tracking 2013

Month	Ashe		Allegheny		Watauga		District Average	
	Average Days until first visit	Average Days until issuance	Average Days until first visit	Average Days until issuance	Average Days until first visit	Average Days until issuance	Average Days until first visit	Average Days until issuance
January	12	16	1	7	8	10	7	11
February	4	4	6	8	13	18	8	10
March	4	6	6	8	14	18	8	11
April	14	18	4	5	16	22	11	15
May	7	8	2	5	15	19	8	11
June	13	23	10	29	15	19	13	24
July	8	15	8	10	14	19	10	15
August	9	20	10	16	16	21	12	19
September	10	15	7	11	7	12	8	13
October	9	13	5	11	6	24	7	16
November	10	13	10	12	2	11	7	12
December	9	19	1	5	4	12	5	13
Average for Year	9.083333333	14.16666667	5.833333333	10.58333333	10.83333333	17.08333333	8.666666667	14.16666667

\*Tracking times exclude any permits that have taken more than 90 days to issue.

Watauga Environmental Health Revenue 2013											
Month	Improvement Permits	Authorization to Construct Permits	Well Permits	Compliance Notification	Tatoo Permits	Water Samples	Pool Permits	F & L Plan Review	Food Safety Courses	Misc.	Deposit Totals
January	\$3,700.00	\$1,950.00	\$1,300.00	\$1,375.00	\$600.00	\$37.50	\$0.00	\$0.00	\$0.00	\$50.00	\$9,012.50
February	\$5,900.00	\$1,450.00	\$2,600.00	\$1,300.00	\$300.00	\$337.50	\$3,500.00	\$3,175.00	\$0.00	\$50.00	\$18,612.50
March	\$7,700.00	\$1,650.00	\$1,475.00	\$1,200.00	\$0.00	\$37.50	\$4,850.00	\$1,825.00	\$0.00	\$104.00	\$18,841.50
April	\$7,900.00	\$2,025.00	\$3,250.00	\$2,000.00	\$0.00	\$187.50	\$400.00	\$60.00	\$0.00	\$75.00	\$15,897.50
May	\$8,800.00	\$3,025.00	\$2,950.00	\$1,300.00	\$600.00	\$557.93	\$950.00	\$625.00	\$65.00	\$79.25	\$18,952.18
June	\$6,600.00	\$1,650.00	\$4,225.00	\$1,600.00	\$0.00	\$412.50	\$300.00	\$450.00	\$0.00	\$75.00	\$15,312.50
July	\$6,000.00	\$2,875.00	\$5,075.00	\$3,100.00	\$0.00	\$412.50	\$0.00	\$750.00	\$0.00	\$0.00	\$18,212.50
August	\$5,000.00	\$2,500.00	\$2,500.00	\$2,350.00	\$0.00	\$375.00	\$50.00	\$1,000.00	\$3,365.00	\$50.00	\$17,190.00
September	\$5,800.00	\$2,675.00	\$3,575.00	\$2,100.00	\$600.00	\$300.00	\$450.00	\$325.00	\$685.00	\$27.25	\$16,537.25
October	\$10,100.00	\$4,050.00	\$1,850.00	\$2,500.00	\$600.00	\$150.00	\$0.00	\$475.00	\$360.00	\$100.00	\$20,185.00
November	\$3,000.00	\$1,775.00	\$1,350.00	\$900.00	\$0.00	\$198.95	\$0.00	\$250.00	\$0.00	\$25.00	\$7,498.95
December	\$4,200.00	\$1,525.00	\$975.00	\$700.00	\$300.00	\$150.00	\$400.00	\$500.00	\$0.00	\$0.00	\$8,750.00
<b>Total</b>	<b>\$74,700.00</b>	<b>\$27,150.00</b>	<b>\$31,125.00</b>	<b>\$20,425.00</b>	<b>\$3,000.00</b>	<b>\$3,156.88</b>	<b>\$10,900.00</b>	<b>\$9,435.00</b>	<b>\$4,475.00</b>	<b>\$635.50</b>	<b>\$185,002.38</b>

Watauga Water Protection Program 2013													
	Water Protection Applications	Improvement Permit Issued	Fees Collected	Authorization to Constructs Issued	Fees Collected	Operation Permit Issued (no fees)	Compliance Notifications Issued	Fees Collected	Well Const. Issued	Fees Collected	Well Grouts (no fees)	Total Permits	Total Fees
January	57	13	\$3,700	9	\$1,950	5	4	\$1,375	2	\$1,300	3	36	\$8,325
February	59	7	\$5,900	7	\$1,450	6	10	\$1,300	3	\$2,600	1	34	\$11,250
March	58	15	\$7,700	11	\$1,650	2	6	\$1,200	7	\$1,475	4	45	\$12,025
April	69	30	\$7,900	19	\$2,025	18	7	\$2,000	9	\$3,250	1	84	\$15,175
May	74	31	\$8,800	26	\$3,025	17	12	\$1,300	10	\$2,950	14	110	\$16,075
June	75	14	\$6,600	19	\$1,650	20	14	\$1,600	8	\$4,225	7	82	\$14,075
July	98	13	\$6,000	15	\$2,875	8	11	\$3,100	20	\$5,075	7	74	\$17,050
August	72	35	\$5,000	24	\$2,500	20	13	\$2,350	11	\$2,500	4	107	\$12,350
September	71	13	\$5,800	14	\$2,675	13	18	\$2,100	11	\$3,575	16	85	\$14,150
October	87	19	\$10,100	14	\$4,050	20	16	\$2,500	6	\$1,850	8	83	\$18,500
November	34	10	\$3,000	4	\$1,775	14	6	\$900	1	\$1,350	5	40	\$7,025
December	31	16	\$4,200	10	\$1,525	10	4	\$700	3	\$975	5	48	\$7,400
<b>Totals</b>	<b>785</b>	<b>216</b>	<b>\$74,700</b>	<b>172</b>	<b>\$27,150</b>	<b>153</b>	<b>121</b>	<b>\$20,425</b>	<b>91</b>	<b>\$31,125</b>	<b>75</b>	<b>828</b>	<b>\$153,400</b>

## Tracking times excluding outliers.

District Turnaround Times (Current Month Reported)	Average Days * until first visit	Average Days* until issuance
Watauga	4	12
<b>District Average</b>	<b>5</b>	<b>13</b>

\* "days lapsed" are counted in calendar days not working days, and includes December 2013

## Tracking times including outliers.

Number of outliers excluded	1	
District Turnaround Times (Current Month Reported)	Average Days * until first visit	Average Days* until issuance
Watauga	4	16

\*\*Outlier is considered a permit that has taken more than 90 days to issue.

District Environmental Health Revenue 2013											
Month	Improvement Permits	Authorization to Construct Permits	Well Permits	Compliance Notification	Tattoo Permits	Water Samples	Pool Permits	F & L Plan Review	Food Safety Courses	Misc.	Deposit Totals
January	\$8,400.00	\$2,650.00	\$4,550.00	\$2,375.00	\$600.00	\$75.00	\$0.00	\$250.00	\$0.00	\$1,051.00	\$19,951.00
February	\$15,075.00	\$2,250.00	\$7,325.00	\$2,925.00	\$300.00	\$562.50	\$4,100.00	\$3,175.00	\$0.00	\$257.00	\$35,969.50
March	\$15,900.00	\$3,550.00	\$6,350.00	\$2,800.00	\$0.00	\$187.50	\$5,050.00	\$1,825.00	\$0.00	\$1,024.43	\$36,686.93
April	\$17,100.00	\$4,175.00	\$6,845.00	\$4,300.00	\$0.00	\$450.00	\$1,000.00	\$210.00	\$0.00	\$154.00	\$34,234.00
May	\$14,225.00	\$4,325.00	\$8,005.00	\$2,800.00	\$600.00	\$745.43	\$1,400.00	\$950.00	\$65.00	\$529.25	\$33,644.68
June	\$11,500.00	\$2,650.00	\$7,575.00	\$2,900.00	\$0.00	\$750.00	\$700.00	\$950.00	\$0.00	\$1,201.00	\$28,226.00
July	\$12,000.00	\$3,875.00	\$10,050.00	\$4,100.00	\$0.00	\$787.50	\$0.00	\$1,000.00	\$0.00	\$600.00	\$32,412.50
August	\$13,125.00	\$3,500.00	\$7,050.00	\$3,350.00	\$0.00	\$975.00	\$450.00	\$1,000.00	\$3,365.00	\$784.00	\$33,599.00
September	\$17,200.00	\$4,075.00	\$8,625.00	\$3,900.00	\$600.00	\$712.50	\$450.00	\$575.00	\$685.00	\$1,204.25	\$38,026.75
October	\$15,500.00	\$5,500.00	\$5,925.00	\$4,600.00	\$600.00	\$938.00	\$0.00	\$725.00	\$360.00	\$152.00	\$34,300.00
November	\$7,400.00	\$3,400.00	\$4,775.00	\$2,000.00	\$0.00	\$536.45	\$0.00	\$250.00	\$0.00	\$125.00	\$18,486.45
December	\$9,700.00	\$2,625.00	\$4,550.00	\$1,600.00	\$300.00	\$300.00	\$400.00	\$975.00	\$0.00	\$38.00	\$20,488.00
<b>Total</b>	<b>\$157,125.00</b>	<b>\$42,575.00</b>	<b>\$81,625.00</b>	<b>\$37,650.00</b>	<b>\$3,000.00</b>	<b>\$7,019.88</b>	<b>\$13,550.00</b>	<b>\$11,885.00</b>	<b>\$4,475.00</b>	<b>\$7,119.93</b>	<b>\$366,024.81</b>

District Water Protection Program 2013													
	Water Protection Applications	Improvement Permit Issued	Fees Collected	Authorization to Construct Issued	Fees Collected	Operation Permit Issued (no fees)	Compliance Notifications Issued	Fees Collected	Well Const. Issued	Fees Collected	Well Grouts (no fees)	Total Permits Issued	Total Fees
January	101	27	\$8,400	12	\$2,650	9	7	\$2,375	7	\$4,550	13	75	\$17,975
February	125	17	\$15,075	16	\$2,250	9	21	\$2,925	18	\$7,325	4	85	\$27,575
March	127	37	\$15,900	29	\$3,550	8	17	\$2,800	18	\$6,350	8	117	\$28,600
April	145	61	\$17,100	32	\$4,175	33	22	\$4,300	21	\$6,845	11	180	\$32,420
May	129	57	\$14,225	49	\$4,325	35	29	\$2,800	24	\$8,005	21	215	\$29,355
June	132	47	\$11,500	46	\$2,650	42	20	\$2,900	29	\$7,575	15	199	\$24,625
July	153	28	\$12,000	30	\$3,875	22	21	\$4,100	33	\$10,050	21	155	\$30,025
August	141	63	\$13,125	47	\$3,500	37	25	\$3,350	31	\$7,050	25	228	\$27,025
September	165	33	\$17,200	34	\$4,075	34	30	\$3,900	22	\$8,625	24	177	\$33,800
October	154	46	\$15,500	37	\$5,500	43	35	\$4,600	27	\$5,925	31	219	\$31,525
November	88	26	\$7,400	16	\$3,400	39	16	\$2,000	13	\$4,775	24	134	\$17,575
December	81	31	\$9,700	22	\$2,625	24	10	\$1,600	10	\$4,550	12	109	\$18,475
<b>Totals</b>	<b>1541</b>	<b>473</b>	<b>\$157,125</b>	<b>370</b>	<b>\$42,575</b>	<b>335</b>	<b>253</b>	<b>\$37,650</b>	<b>253</b>	<b>\$81,625</b>	<b>209</b>	<b>1,893</b>	<b>\$318,975</b>

Tracking times excluding outliers.

District Turnaround Times (Current Month Reported)	Average Days * until first visit	Average Days* until issuance
<b>District Average</b>	<b>5</b>	<b>13</b>

\* "days lapsed" are counted in calendar days not working days, and includes December 2013

Tracking times including outliers.

Number of outliers excluded	<b>1</b>	
District Turnaround Times (Current Month Reported)	Average Days ** until first visit	Average Days** until issuance
<b>District Average</b>	<b>5</b>	<b>14</b>



# 2013

## State of Health: Watauga County



*Promoting safe & healthy  
living, preventing disease, &  
protecting the environment*

12/2/2013

*2013 State of Health Report [December 2, 2013]*

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# Executive Summary

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The state of health in Watauga County is somewhat similar to many other communities across North Carolina and the nation. Like so many other communities, the county has faced challenges in unemployment, uninsured adults and children, and people living in poverty. Although this has been a challenge since the economic troubles that began in 2008, there are some points worth celebrating including decreases in the county unemployment rate since 2011 according to interim figures and a slight increase in median household income, though still below that of NC. The county population has continued to grow, with population totals coming in at over 52,000 people.

Our health challenges include chronic diseases that have increased across the state and nation. Unlike NC, heart disease remains the leading cause of death for the county, with cancer deaths following a close second. The good news is that these chronic diseases are linked back to three primary behaviors that can help prevent them: tobacco use, poor nutrition, and lack of physical activity. These chronic diseases not only contribute to the leading causes of death, but also cost us greatly in quality of life and healthcare expenditures. Using evidence-based strategies while innovating to link them to county context will be ever important in the year ahead in continuing to promote more people achieving and maintaining a healthy weight and more people choosing not to smoke or having access to services to get help quitting.

2014 brings new opportunities and challenges ahead as many of the major health behaviors and those that impact health such as housing, income, and access to healthcare services are complex and involve partnerships across sectors to bring improvements. Emerging trends and issues to watch this next year include the Affordable Care Act enrollment and continued efforts by safety net organizations to serve those who will not be able to afford insurance or qualify for Medicaid and food security and services that support it may impact health outcomes if changes are made in funding or legislative actions. In addition, monitoring implications of new legislation in NC such as the carbon monoxide detection will be important as well as that of prior legislation that has supported public health protection such as the smoke free restaurants and bars law from 2010.

Finally, 2014 brings an opportunity to take a closer look at local community health needs with the community health assessment process. Learn more and get involved by contacting us.

## Sharing the State of Health

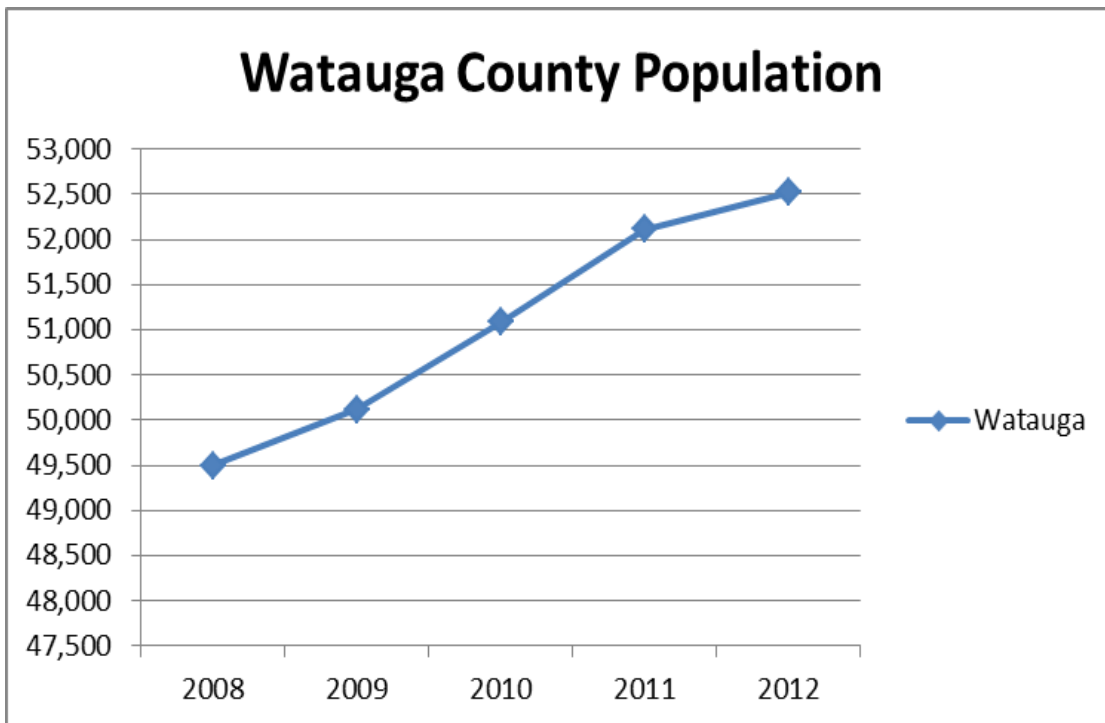
Copies of this report may be found at [www.apphealth.com](http://www.apphealth.com)

The report will be presented to community leaders and groups during scheduled events through January, 2014. To learn more, follow us on Facebook at Appalachian District Health Department, log on to our website, and check your local radio and newspapers.

To request additional information or to schedule a presentation of this information for your group, call our Watauga County office at 828.264.4995 or email at [info@apphealth.com](mailto:info@apphealth.com).

# County Demographics

Watauga County's population has steadily increased since 2008 to 52,517 (NC DHHS, 2013). According to population estimates July, 2013, racial and ethnic demographics of the county are primarily White Non-Hispanic with the second largest racial/ethnic group being Hispanic.



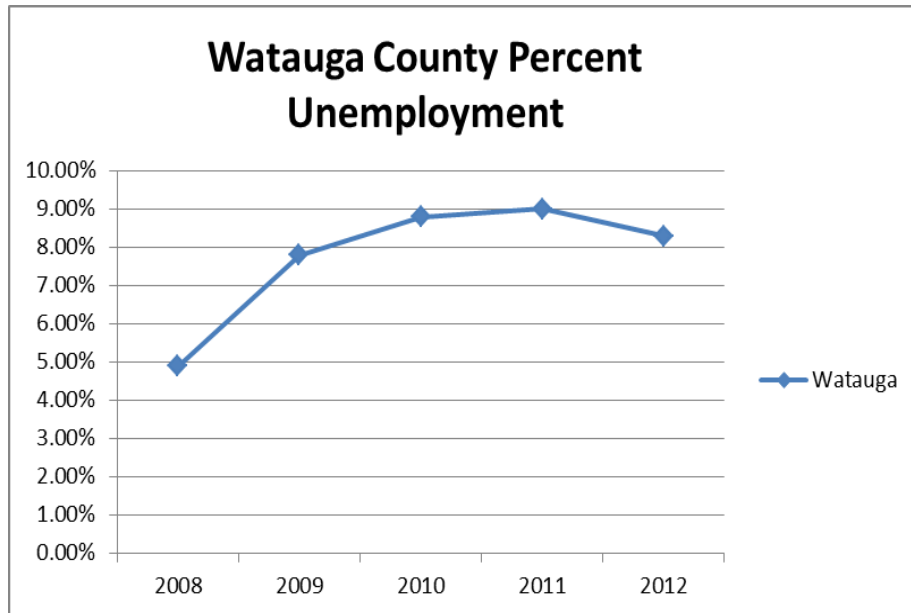
## Race/Ethnicity by Percent of Total Population

Race/Ethnicity	Percent of total population
White Non-Hispanic	93.2%
Hispanic	3.4%
African American Non-Hispanic	1.9%
Other Non-Hispanic	1.4%

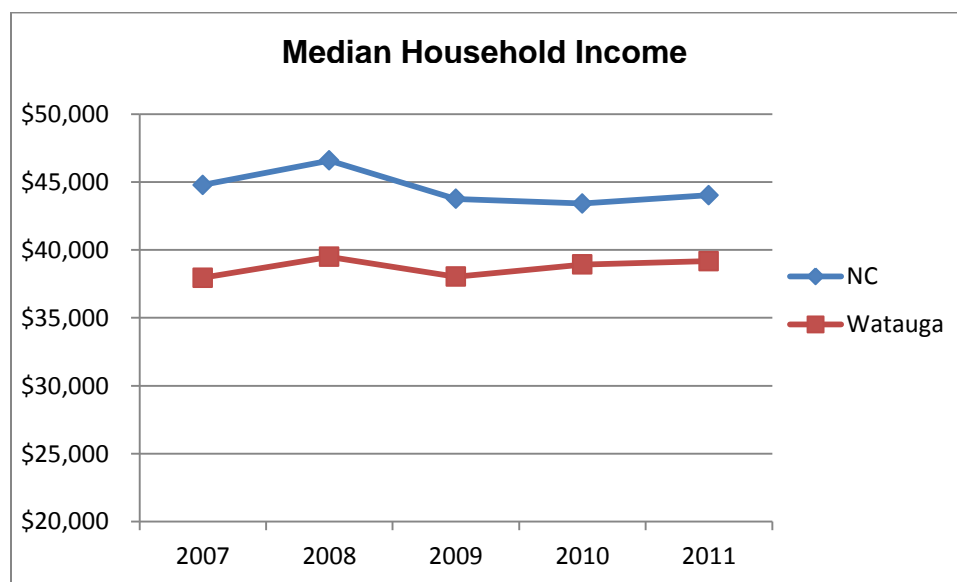


# Community Statistics

Watauga County unemployment percentage was 8.3% as of June, 2013 (NC Department of Commerce, 2013). This data does not reflect a seasonal adjustment.

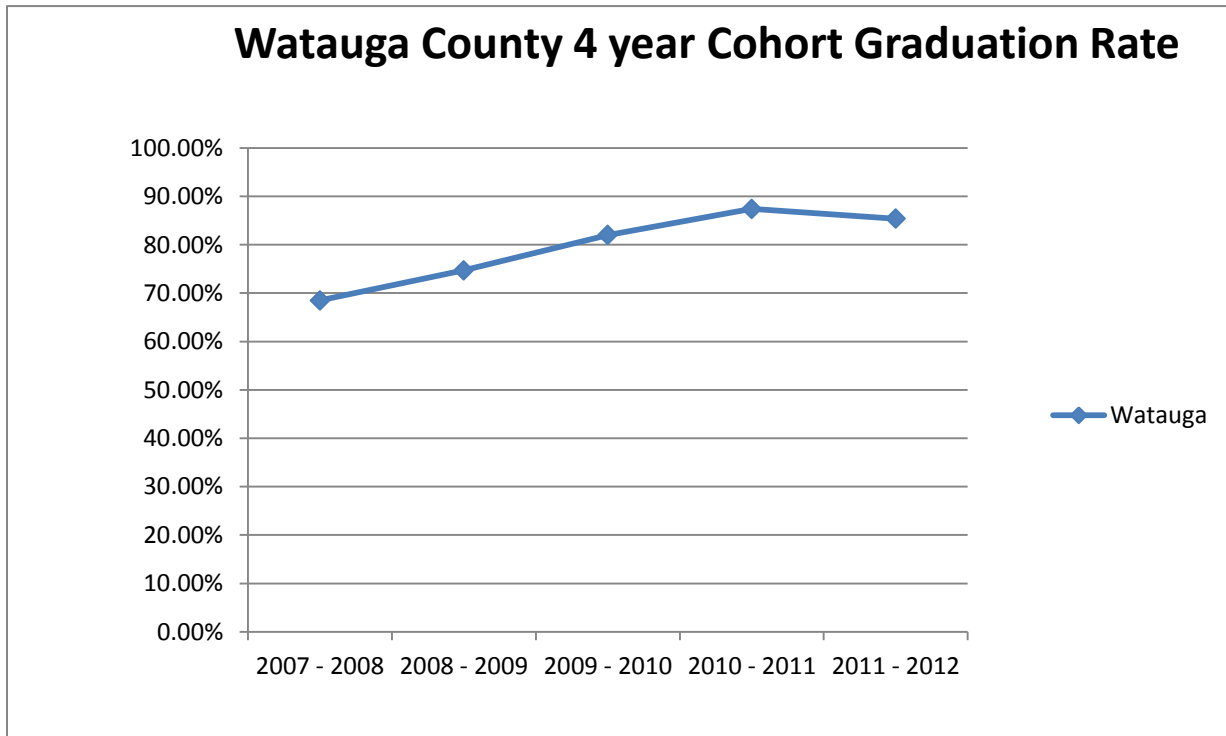


The table below shows the trend of median household income in Watauga County and NC. As of 2011, the Watauga County annual median household income is \$39,168 compared to \$44,028 for NC (US Census Bureau, 2013).



# Education

Education is a critical component for many reasons. Those who graduate from high school have a better potential of achieving or maintaining a better health status over time. According to the NC Department of Public Instruction, the Watauga County 4 year cohort graduation rate is 85.4%, falling slightly below the graduation rate in 2010-2011 at 87.4%, but still above the 2009-2010 year at 82% (NC DPI, 2013). This data does not include charter school data.



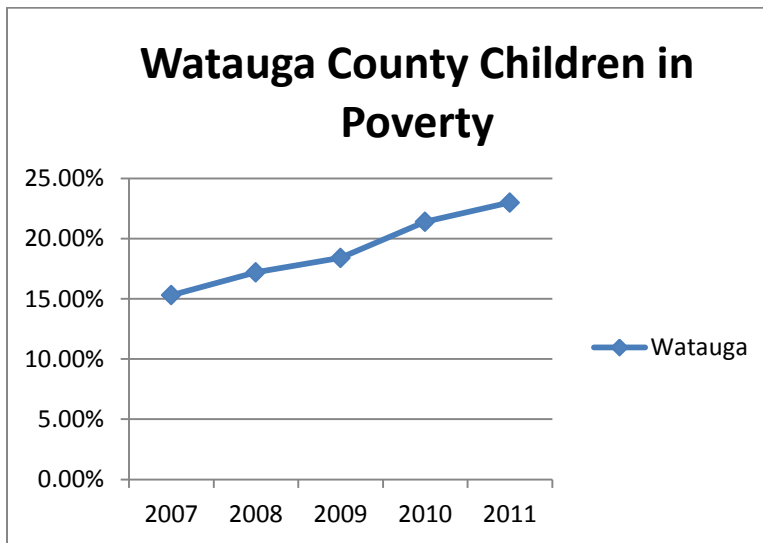
Free and reduced meals are subsidized for families at or below 130% of the Federal Poverty Guidelines. Watauga County children participating in the free or reduced meal program has increased steadily since the 2007-2008 school year. This does not include charter school data. (NC DPI, 2012).

Year	% Children participating in Free & Reduced Meals
2007-2008	30.5%
2008-2009	33.4%
2009-2010	37.2%
2010-2011	41.3%



# Community needs: Poverty & Uninsured

Poverty continues to be a critical need in the county. The trend below indicates a steady increase in children who are living in poverty in Watauga County, with current percent of children in poverty at 23% as of 2011 and up from 15.3% in 2007 (US Census Bureau, 2011).



According to the US Census Bureau, 26.3% of people in Watauga County live below the federal poverty level. The NC Median Household Income is \$46,291 while Watauga County Median Household Income is \$34,497 (US Census Bureau, 2011).

The number of individuals without health insurance is detailed in the table below (NCIOM, 2011). The Patient Protection and Affordable Care Act (ACA) will expand health insurance coverage for many Americans in the U.S., but not nearly as many as originally anticipated in NC since the NC Legislature did not choose to expand Medicaid coverage. Read more about this in the emerging issues section of this report.

County	Age Category	Data Type	2011
Watauga	Children (0-18)	Number	1,000
		Percent	8.10%
	Adults (19-64)	Number	8,000
		Percent	21.80%
Total (0-64)	Number	9,000	

# Health statistics: Causes of death

This report includes a brief overview of health statistics for the county. Every year Appalachian District Health Department provides relevant updates to health statistics in this report. Every three years, the report is a comprehensive community health needs assessment report. The 2011 community health assessment is available at [www.apphealth.com](http://www.apphealth.com). In December, 2014, the community health assessment report will be published.

## Leading causes of death in Watauga County with NC rates

2008-2012 Age adjusted death rates per 100,000 (NC DHHS, 2013)

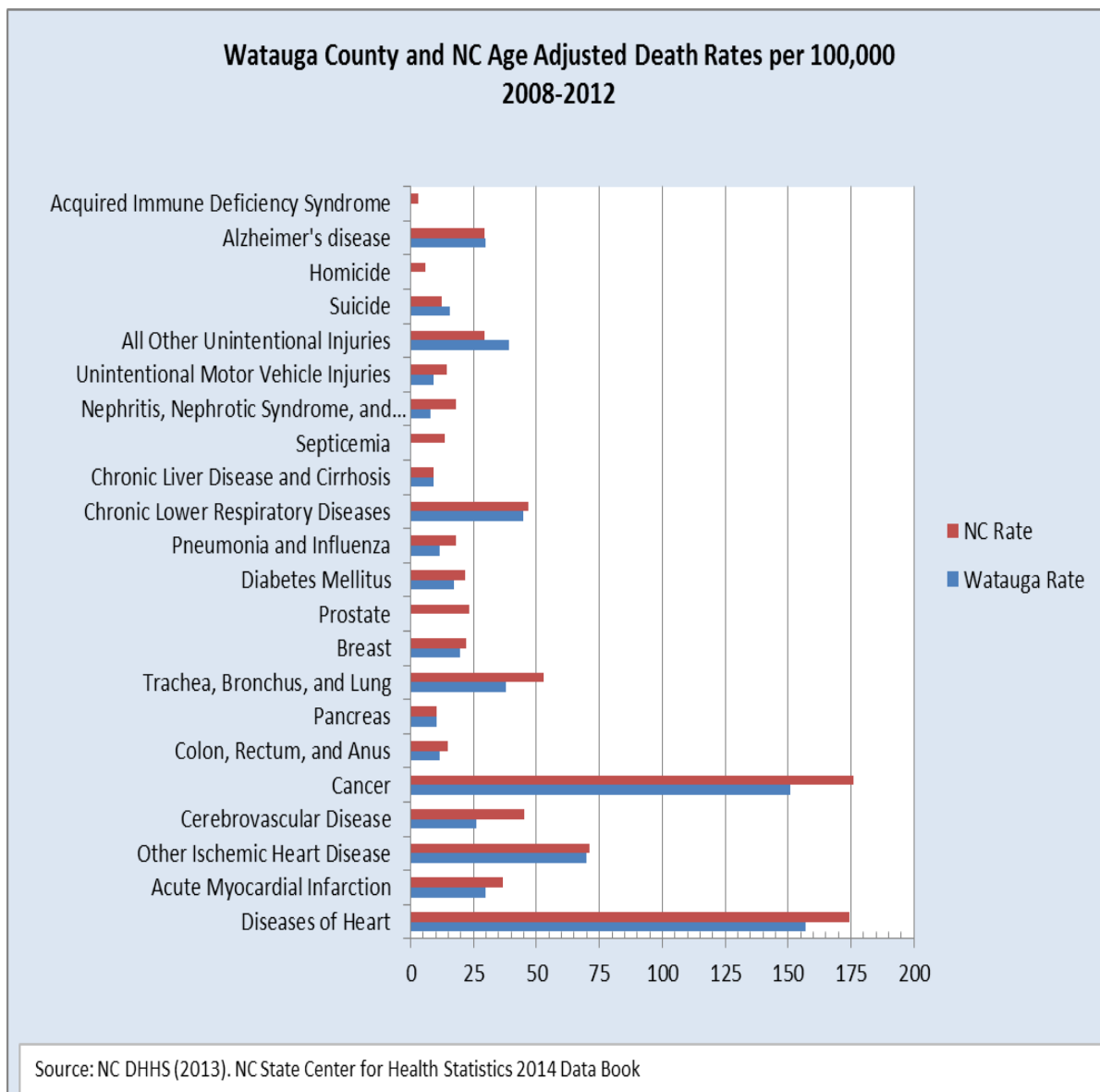
Cause	Watauga County	NC
Heart disease	156.8	174.4
Cancer	150.0	175.9
Chronic lower respiratory disease	44.7	46.6
Unintentional Non-motor vehicle injuries	39.1	29.4
Alzheimer's disease	29.8	29.3
Cerebrovascular disease	26.3	45.1
Diabetes	17.1	21.8
Suicide	15.4	12.2
Pneumonia & Influenza	11.6	18
Chronic liver disease & Cirrhosis	9	9.3
Motor-Vehicle Injuries	9	14.3

The table above reflects the age-adjusted death rates in Watauga County with NC rates noted as well from the 2014 Databook (NC DHHS, 2013). This data reflects the current national and statewide trend of leading causes of death from chronic diseases.



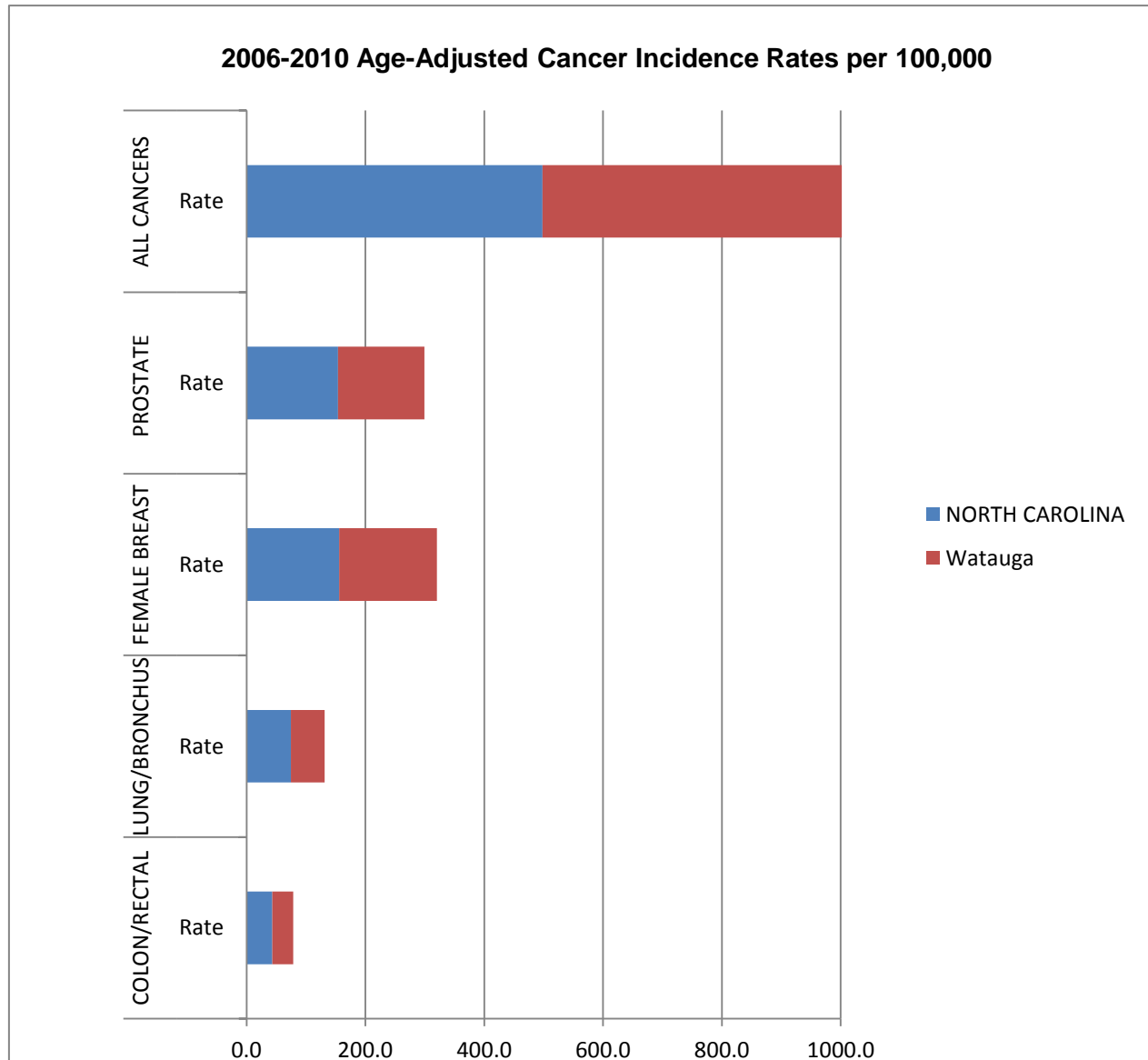
## Health statistics: Death rates

The leading causes of death for Watauga County are chronic diseases. Though heart disease has a higher death rate at 156/100,000, cancer is only slightly below at 150/100,000. Following these, chronic lower respiratory disease follows. These three causes alone represent 55% of the total number of deaths in Watauga County. We draw attention to the areas where the county rate (noted in blue) is either better or worse than the state rate (noted in red). In categories where the actual number of deaths is too small to be a reliable rate, no blue is shown. Watauga County has a higher rate of unintentional non-motor vehicle injuries than NC, as well a higher rate of deaths by suicide when compared to NC.



# Health statistics: Cancer Incidence

Cancer is the second leading cause of death in Watauga County, though only slightly less than heart disease. This graph demonstrates the types of cancer by incidence rate per 100,000 for the county and NC. Watauga County total cancer incidence rate of 503.8 is slightly above the NC rate of 498.1, and Watauga rates higher in female breast cancer at 164.4 compared to 155.9 in NC (NC DHHS, 2013).

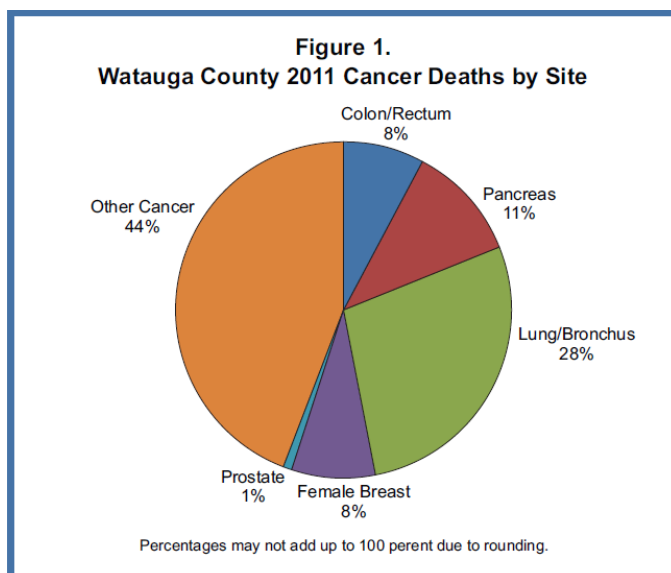


# Health statistics: Cancer projections

The NC Central Cancer Registry reports that the percent of deaths due to cancer in Watauga County was above that in NC as shown in Table 1 below (NC DHHS, 2013). Note that this data is for 2011 which was available in June, while the previous page indicates the most recent data from 2012. Currently, cancer is the leading cause of death in NC and the second leading cause of death in Watauga County and the United States.

Watauga County	North Carolina
24.6%	22.8%

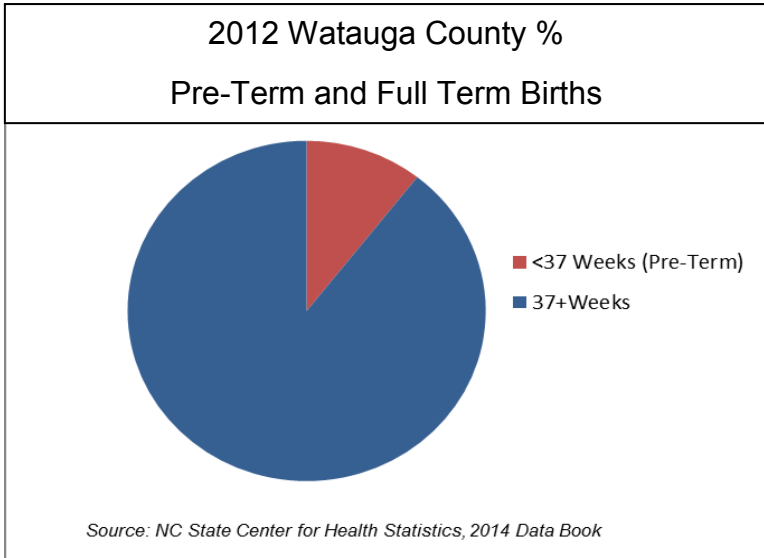
Cancer is categorized primarily into the following categories. Figure 1 represents the percent of deaths by cancer type using 2011 data (NC DHHS, 2013). Table 2 shows the projected cases of cancer for 2013 by type (NC DHHS, 2013). Early detection is important for some cancers like female breast cancer, while others often go undetected until later stages (NC DHHS, 2013). This calls for more attention to prevention of cancer through individual lifestyle decisions and community supports for tobacco prevention and cessation, healthy eating, and physical activity while continuing to support early detection programs.



	Watauga County	North Carolina
Lung/Bronchus	44	8,559
Colon/Rectum	24	4,852
Female Breast	43	9,339
Prostate	44	8,316
Pancreas	7	1,322
All Cancers	280	56,164

# Health statistics: Pregnancy & Birthweight

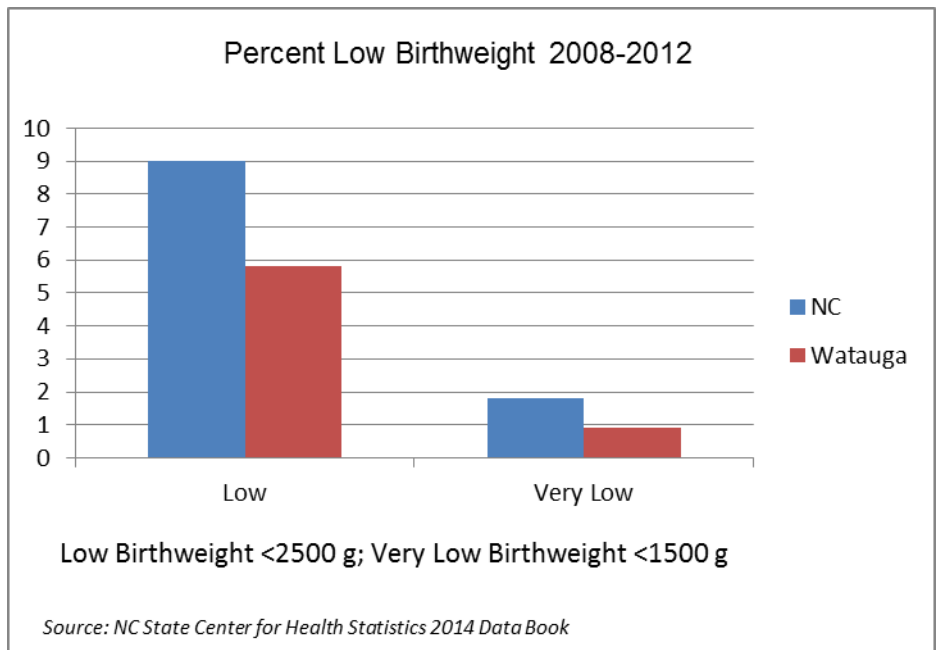
Overall, Watauga County had lower percentages of births that were premature and low birthweight than in comparison to the state. In 2012, most pregnant women giving birth received early prenatal care, a critical factor that supports positive birth outcomes with 83.6% receiving care during the first trimester, 12.6% receiving care during the second trimester, and 2.3 % receiving care at third trimester, and 0.3% receiving no prenatal care (NC State Center for Health Statistics, 2013).



In 2012, there were a total of 348 births in Watauga County and of those, 307 born were White Non-Hispanic, 7 African American Non-Hispanic, 1 Other Non-Hispanic, and 33 Hispanic (NC State Center for Health Statistics, 2013).

89.4% of births in Watauga County in 2012 were considered full term, or 37+ weeks of gestation while 10.6% of births were pre-term births. Babies born too early may be born with a low birthweight and have other health problems or be at greater risks for health problems. Early and consistent prenatal care is an important step in preventing premature births, low birthweight, and risk of infant death.

According to the NC State Center for Health Statistics, from 2008-2012, Watauga County babies born with low birthweight was 5.8% while those with very low birthweight was 0.9% compared to all NC births during the same time period of 9% low birthweight and 1.8% very low birthweight.



# Health statistics: Teen Pregnancy

Watauga County teen pregnancy rates remain below that of NC. According to the NC State Center for Health Statistics, the 2008-2012 Teen Pregnancy Rates per 1,000 population among 15-17 year olds for Watauga County is 17.9 per 1,000 compared to a rate of 26 per 1,000 in NC for the same time period.

According to the Adolescent Pregnancy Prevention Campaign of NC, teen pregnancy rates have declined over 62% since its peak in 1990 and it declined 10% between 2011 and 2012. The declines are primarily attributed to increased contraceptive use among teens and decrease in repeat pregnancies among teen parents (Adolescent Pregnancy Prevention Campaign of NC, 2013).

Data below is provided by the Adolescent Pregnancy Prevention Campaign of NC, 2013 and features a snapshot from 2012. Rates that are very low are not considered stable and are not listed in this table. Learn more about APPCNC at [www.appcnc.org/data/map/watauga](http://www.appcnc.org/data/map/watauga)

## 2012 Teen Pregnancies

Number of pregnancies among 15-19 year old girls:	27
Teen pregnancy rate per 1,000 15-19 year old girls:	8.8
Teen pregnancy rates by race/ethnicity	
African American:	*
Hispanic:	*
White:	7.7
Teen pregnancy rates by age	
15-17 year olds:	*
18-19 year olds:	8.2
Number of pregnancies among 15-17 year old girls:	7
Number of pregnancies among 18-19 year old girls:	20
Percent of Repeat Pregnancies:	25.9%
Teen birth rate per 1,000 15-19 year old girls:	7.8
NC County Ranking (out of 100 counties):	85
Change since 2011:	-34.8%

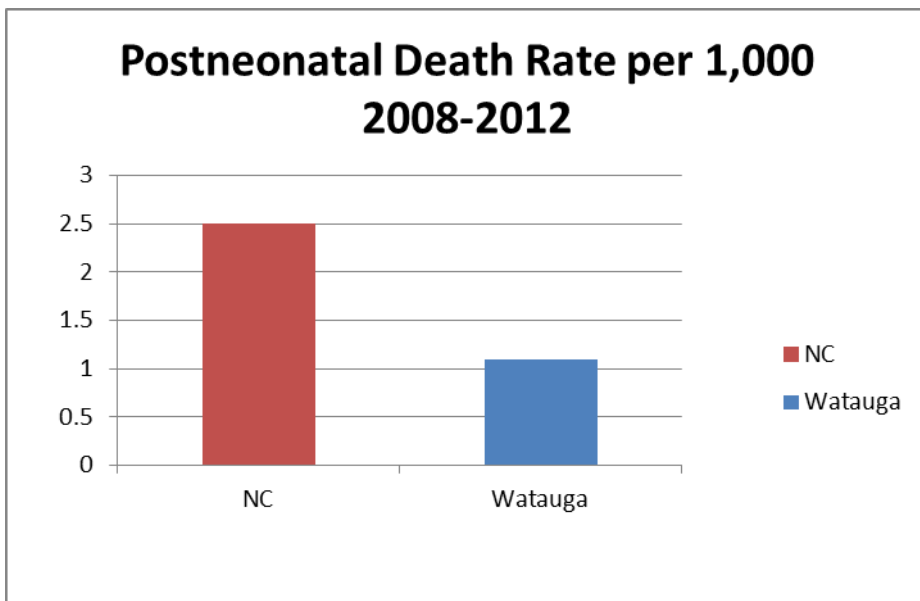
\*Rates based on small numbers (<20 pregnancies) are unstable and not provided.

Source: North Carolina State Center for Health Statistics.

Updated October 2013.

# Health statistics: Infants & Children

Watauga County infant mortality remains lower than NC based on a review of data from 2008-2012 of babies dying 28 days to 1 year post-birth (NC State Center for Health Statistics, 2013).



	Period/Year	Total	CAUSE OF DEATH														AGE				
			BIRTH DEFECTS	PERINATAL COND	SIDS	ILLNESSES	MOTOR VEHICLE	BICYCLE	FIRE AND FLAME	DROWNING	OTHER INJURIES	HOMICIDE	SUICIDE	FALLS	POISONING	ALL OTHER	UNDER 1	1-4	5-9	10-14	15-17
NORTH CAROLINA	2008-2012	7,021	1,057	2,384	365	1,374	543	10	46	144	233	226	138	16	71	414	4,675	701	399	460	786
	2012	1,339	206	437	28	254	108	2	8	29	50	47	35	6	13	116	883	132	77	103	144
WATAUGA	2008-2012	12	3	1	0	2	0	0	0	1	2	0	1	0	0	2	4	3	2	0	3
	2012	2	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	1	0	0	1

The table above details infant and child deaths for two time periods: 2008-2012 and 2012 for county and NC residents (NC State Center for Health Statistics, 2013) by age and cause of death. No deaths were attributed to SIDS (Sudden Infant Death Syndrome) while illness, drowning, birth defects, and suicide were causes of the 12 deaths since 2008.

# Health statistics: Leading Risk Factors

Chronic diseases such as heart disease, cancer, stroke, and diabetes have become the leading causes of death and disability in the United States. Our area is similar in the majority of death and much of healthcare costs can be linked back to chronic disease.

3-4-50

Three behaviors: poor nutrition, lack of physical activity, and tobacco use contribute to 4 major chronic diseases that cause over 50 % of deaths worldwide. These behaviors not only rob us years of life, but life in our years costing us quality of life and major expense in healthcare.



## Nutrition

- Make healthy food available for all
- Support policies and practices that provide access to healthier foods
- Educate and support individuals and families in learning and practicing healthy eating behavior



## Physical Activity

- Create safe places to be active
- Encourage active transportation
- Increase active living opportunities for adults and youth



## Tobacco

- Support youth tobacco prevention efforts
- Promote and enforce policies and laws that protect the public from harmful secondhand smoke
- Provide support to those who want to quit
- Monitor and educate the public about emerging tobacco products

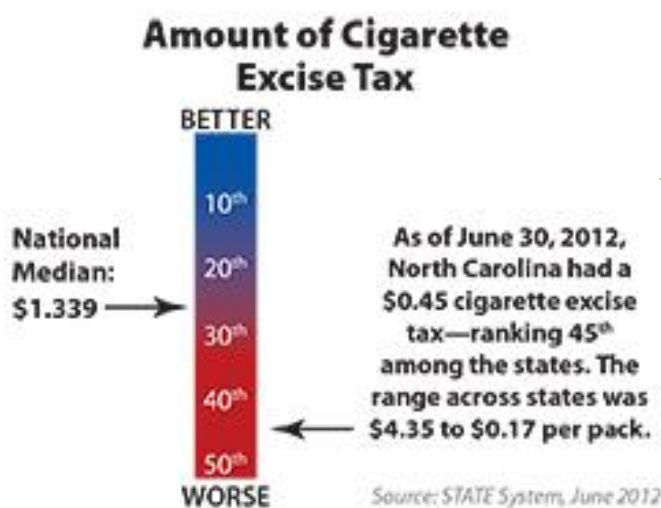
## Leading Risk Factors: Tobacco Use

Tobacco use remains the single leading cause of preventable death and disability in the United States (CDC, 2013). In 2011, the current percentage of adults who smoked was 21.8%, ranking 29<sup>th</sup> among the states (CDC, 2013). In addition, 5.2% of adults reported use of smokeless tobacco (snuff, dip, chewing) in 2011 ranking 36<sup>th</sup> among the states (CDC, 2013).

QuitNow NC is a resource that provides free counseling to individuals who want to quit using tobacco. It is promoted in various methods through partnerships with local healthcare providers who can refer patients who are interested that can receive a call from a trained quit-coach. During 2009-2010 year, 55% of smokers in NC made an attempt to quit (CDC, 2012).

In NC, the percent of youth grades 9-12 engaging in smoking was 17.7% in 2011 putting NC at a rank of 26 among other states in the US. Smokeless tobacco use was 11% setting a rank of 28<sup>th</sup> among other states (CDC, 2013).

One of the most powerful tools to encourage adults and youth to quit smoking or avoid starting is to raise the amount of cigarette excise tax. As of June 30, 2012, the NC rate of \$0.45/pack of cigarettes puts NC ranking 45<sup>th</sup> among the states with the national median being \$1.339/pack (CDC, 2013).





# Housing & Food Security

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There are additional factors that influence health behavior and health status including housing and food security. These two needs are critical to positive health outcomes.

According to the US Department of Housing and Urban Development, on a single night in 2012, there were 633,782 people homeless people in the United States, and of those 394,379 were homeless as individuals while 239,403 were homeless in families (US Department of Housing and Urban Development, 2012).

In NC, the total homelessness increased by 5% from January 2011 to January 2012 while nationwide total homelessness decreased by 0.4%. By reviewing the report, The State of Homelessness in America 2013, the report indicates most of the increase in NC to be among family households, persons in families, and homeless veterans.

The Hospitality House of Boone is a regional facility offering emergency, transitional, and permanent housing assistance for individuals and families. In addition, three meals a day and laundry facilities are also available for individuals and families beyond those offered shelter. The bread of life program also offers a food box distribution program, and the WeCAN program offers heating assistance. Learn more about the Hospitality House at [www.hospitalityhouseofboone.org](http://www.hospitalityhouseofboone.org)

## Food Insecurity & Services in Watauga County

- 770 Women and young children were being served by the WIC program as of July, 2013
- 3,999 individuals were participating in the Supplemental Nutrition Assistance Program (SNAP)
- 41.3% of Watauga County Schools students participate in the Free & Reduced Meal program

It is estimated that 9,290 individuals are living in food insecure households as of 2011 and the rate of food insecurity is 18.4%

Did you know? Some research over time has shown that obesity and food insecurity co-exist. Healthy, balanced nutrition may be more difficult for those who are in food insecure households. Food insecurity is not only about hunger, but also obesity and chronic disease prevention.

# Emerging Issues: The Affordable Care Act

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In March, 2010, President Obama signed the Patient Protection and Affordable Care Act into law. This legislation proposes increased access to healthcare for many Americans who were previously denied coverage due to preexisting conditions while offering opportunity for those who may not have an individual option offered by their employer to purchase coverage. The law includes many provisions, including requirements for essential preventive services that most plans will cover beginning in 2014. These include screenings for blood pressure, cholesterol, diabetes, depression, HIV, alcohol, obesity, syphilis, tobacco and diet along with support among other services such as immunizations (US DHHS, 2013).

In North Carolina, individuals who are interested in participating in the health insurance marketplace must access information through the federal website, [www.healthcare.gov](http://www.healthcare.gov) but local assistance is available in the community. County DSS offices and health departments assist or provide referrals to individuals to access support in navigating sign up.

In Watauga County, individuals may access one-on-one support and information about the healthcare insurance marketplace at High Country Community Health and at other community locations.

This is an emerging issue that will remain among the major public health trends for monitoring in the future.

The NC Institute of Medicine estimates nearly 500,000 individuals in NC will remain uninsured without Medicaid expansion in the state, with most being working adults under the age of 65 years. Read more about the potential implications for expanding health coverage in NC in the NC Institute of Medicine report located at <http://www.nciom.org/publications/?impactaca>.

# Emerging Issues: Triple AIM Healthcare

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**Triple AIM Healthcare** initiatives as well as other quality improvement movements are giving rise to many system-level changes that impact public health and those providing social and healthcare services in the community. These include information technology systems in health and human service provider locations such as NC Tracks, NC FAST, and others. In the interim, there have been challenges in adapting to new systems of payment and registration. Long term, these systems will create opportunities to make improvements at system levels based on data to better serve individuals and communities.

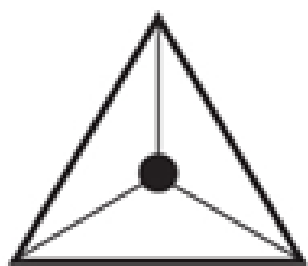
Safety net providers are working together to respond to the ever changing landscape of healthcare. The statewide Healthnet program is currently undergoing new system changes to emphasize data driven payment systems. This program operates across the Appalachian District and is administered by the Appalachian District Health Department in Allegheny and Ashe County with community provider partners. This program works to link individuals who are uninsured to needed healthcare services. Through this collaboration, a nurse care manager with Access Care of the Blue Ridge provides health coaching, motivational interviewing, and resource linking for individuals. This helps increase the quality of care while saving healthcare costs.

In addition, more emphasis is being placed on making community health promotion connections to support healthcare outcomes at the individual and population level.

## Goals of Triple Aim Healthcare

- Improved Quality improvement & patient satisfaction
- Improved population health
- Reduced healthcare costs

Source: *Institute for Healthcare Improvement (2013)*. [www.ihl.org/initiatives/TripleAim/pages/default.htm](http://www.ihl.org/initiatives/TripleAim/pages/default.htm)



IHI *Triple Aim*

Appalachian District Health Department has developed and implemented Triple Aim through numerous quality improvement projects. In addition, new electronic health systems have been phased in to provide data to improve care for patients and the community.

# Emerging Issues

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## **CARBON MONOXIDE TESTING REQUIRED IN NEW NC LEGISLATION**

In 2013, the NC General Assembly passed new legislation, Session Law 2013-413 (formerly House Bill 74) requiring lodging establishments that provide lodging for pay to the public to install carbon monoxide detectors meeting ANSI/UL 2034 or ANSI/UL 2075 in every enclosed space having a fossil fuel burning heater, appliance, or fireplace and in any enclosed space, including a sleeping room, that shares a common wall, floor, or ceiling with an enclosed space having a fossil fuel burning heater, appliance, or fireplace by October 1, 2013. The law allows use of either battery-operated or electric carbon monoxide detectors to meet the initial deadline, but requires that CO detectors must receive primary power from the building's electrical wiring and have battery back-up power by October 1, 2014.

This legislation presents a new role for Environmental Health Specialists in NC public health as they are now conducting carbon monoxide detector compliance verification along with routine lodging facility inspections. These inspections include ensuring that installed carbon monoxide detectors meet specifications per SL 2013-413. Facilities that have rooms that are not in compliance with this law must be provided written notification along with an Intent to Suspend Permit as of October 1, 2013. Continued efforts in this new law will be further defining an enclosed space with the Building Code Council and may be revised in 2014.

Environmental Health Specialists are Registered Sanitarians in NC and they help assure the public's health in safe, healthy food in restaurants, sanitary lodging and child care facilities in addition to wastewater/septic, tattooing, and pool permitting.

Source: NC DHHS, 2013. Position statement: Carbon Monoxide Detectors Required in Lodging Establishments. 25 September, 2013



*Photo courtesy of freedigitalphotos.com*

## Tobacco Innovations or Deceptions?

Tobacco has adapted to develop, market, and promote new methods for tobacco use in the United States, with some forms being targeted to youth and young adults.

Hookahs are water pipes used to smoke specially flavored tobacco and it is often practiced in a group setting, passing the water pipe from person to person (CDC, 2013). According to the Centers for Disease Control and Prevention, hookah is at least as toxic as cigarettes as it is still a nicotine delivery device. Also, a typical hookah smoking session lasts about 1 hour and involved a typical 200 puffs, while a cigarette involves about 20 puffs comparing the amount of smoking inhaled from hookah being about 90,000 mL compared to 500-600 mL in a cigarette. Hookah has been associated with lung cancer, respiratory illness, low birth weight, and periodontal disease (CDC, 2013).

Similar to hookah, electronic cigarettes, or e-cigs, are an emerging trending product often marketed as a healthier alternative but risks are not fully known. Harmful chemicals and nicotine are also part of this harmful product.

## Coming Soon

In 1964, the US Surgeon General released a landmark report linking cigarette smoking with heart disease and cancer for the first time. In January, 2014, the US Surgeon General will provide a 50 year Anniversary report. Tobacco use is linked to 440,000 deaths every year in the United States (CDC, 2013).

The Appalachian District Health Department supports tobacco prevention through promotion of Quitline NC (1.800.QUITNOW) while also providing community services in tobacco prevention and cessation.

The Community Transformation Grant Project currently is partnering with the Northwest Regional Housing Authority to implement a smokefree multi-unit housing policy from 2013-2014. This regional authority received feedback from tenants with the majority supporting smoke free indoor housing. Learn more about this initiative at [www.nwtransformation.org](http://www.nwtransformation.org)

Learn more about tobacco prevention services available at <http://www.apphealth.com/health-promotion/northwest-tobacco-prevention-coalition/>.

# Priority: Obesity Prevention

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More than a third, 35.7%, of US adults are overweight or obese (CDC, 2012). Obesity is linked to heart disease, stroke, diabetes, and cancer and an estimated \$147 billion in annual healthcare costs in the US, or an additional \$1,429 in medical costs in comparison to those of normal weight (CDC, 2013).

**Adult Obesity 62.7%** (Western NC

BRFSS, NCSCHS, 2012) compared to 65.8% in NC

**Children Overweight 15.9%**

**Obese 15.6%**

This data is from child clinics and WIC program in Watauga County and therefore represents some limitations in sample size. However, NC reports 14.9% overweight and 14.5% obese in statewide results (NC NPASS, 2012).

It is estimated that 1 in 7 low income preschool children in the United States is overweight or obese. There has been much work over the past decade in supporting obesity prevention early in life in the nation, NC, and in the Appalachian District with many community partners like schools, childcare centers, community organizations, and families. For the first time in history, the most recent data of childhood obesity indicated a decrease in obesity prevalence among low income preschool aged children from 15.21% to 14.94% and extreme obesity from 2.22% to 2.07% (CDC, 2013). Though these are only slight decreases, they indicate a trend in making change.

In 2013, the Community Transformation Grant Project has offered opportunity to partner within a 10 county region (Alleghany, Ashe, Watauga, Wilkes, Surry, Stokes, Forsyth, Davie, Davidson, and Yadkin) to support healthy eating, active living, tobacco free living, and quality improvement initiatives to support clinicians serving clients in tobacco cessation. During 2013, activities included:

- Launch of the [www.nwtransformation.org](http://www.nwtransformation.org) website and public outreach campaigns promoting local farmers markets and smoke free homes
- Creation of the Health by Design regional active living strategic plan highlighting and supporting active living comprehensive plans that support health in all 10 counties
- Initiation of a comprehensive corner store assessment to measure access to healthy foods including fruits and vegetables
- Mini-grants to healthy food producers in their efforts to make healthier foods available in the Appalachian District
- Collaboration with the Northwest Regional Housing Authority in their efforts to protect tenants from harmful secondhand smoke while indoors



**Communities  
Transforming**

*For a healthier North Carolina*

## Priority: Access & Affordability of Healthcare Services

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Currently, 21.8% of Watauga County adults are uninsured which places risk for individuals and public health through lack of access to or affordability of healthcare services. In 2013, a new healthcare service became available for adults through a special grant for a federally qualified health center called High Country Community Health. Serving Watauga and Avery Counties, this clinic offers care regardless of the ability to pay. Learn more about High Country Community Health at [www.highcountrycommunityhealth.org](http://www.highcountrycommunityhealth.org).



## Priority: Substance Abuse Prevention

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Watauga Substance Abuse Prevention is a collaborative effort led by Western Youth Network, a local non-profit organization, a community recipient of the national Drug Free Communities Grant. The Watauga Substance Abuse Prevention (WSAP) Collaborative partners with the community to prevent and reduce the misuse of alcohol, marijuana, and prescription medication by youth through awareness, advocacy, and action. Activities in 2013 included the Good Neighbor Campaign, training for servers and establishments on safe serving, substance free tailgating activities, and more. In 2014, WSAP will help sponsor the Youth Risk Behavior Survey at Watauga High School. Learn more and get involved at [www.wsap.org](http://www.wsap.org).

Be a good neighbor at home, Parents and Guardians pledge to:

- Make a commitment to talk about underage drinking and secure alcohol in your home
- Set guidelines. Meet your kids' friends and their parents. Communicate when your kids are spending time at their home.
- Be present at parties and discourage underage alcohol and drug use in your home. Encourage drug and alcohol free events and activities.

## Focus Spotlight: Positive Parenting & Innovative Approaches

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Triple P stands for Positive Parenting Program. The Appalachian District is part of the NC Collaborative for Triple P Positive Parenting Program. Triple P is an evidence-based program aimed at providing tips and tools for practitioners to provide resources to parents to design parenting solutions to stay positive during common parenting challenges. Triple P trained 60 practitioners in 2013 to deliver Triple P in the community. These range from community volunteers, healthcare providers, to social workers and licensed professional counselors. These practitioners are delivering Triple P to parents across the Appalachian District counties for free or reduced costs. The Watauga County Children's Council is a primary partner in the project.



Innovative Approaches is part of a state collaborative seeking to provide system level change to support children and families with special healthcare needs in Watauga County. In 2013, a community collaborative with a diverse group of committed parents, professionals, and organizational leaders have been working together to better understand challenges facing families in the county. Through a parent driven process, the collaborative will work toward system changes in 2014. Learn more about Innovative Approaches by contacting Stephanie Craven Bunch, Innovative Approaches Coordinator, at the Watauga County office of Appalachian District Health Department.



# Focus Spotlight: Quality Healthcare

Appalachian District Health Department offers quality clinical services to serve the community and accepts most insurance plans. The Watauga County healthcare team includes pediatric dentistry and a variety of other clinical services from sick visits, women’s healthcare, and many other services.



**Danielle Darter, MD Rachel Bridgeman, FNP**

**Appalachian District Health Department**  
*Promoting safe & healthy living, preventing disease, and protecting the environment*

We invite you to experience...

**Compassionate Service**  
**Quality Care**

**Call Us Today!**

*Accepting most insurance plans*



**Watauga County Office**  
126 Poplar Grove Connector  
Boone, NC 28607  
(828) 264-6635  
[www.apphealth.com](http://www.apphealth.com)



# State and National Perspectives

Local public health efforts are linked up to state and national efforts working toward the same goals over time. Appalachian District Health Department builds upon Healthy People 2020 national strategies and Healthy NC 2020 for statewide strategies. Learn more about Healthy NC 2020 <http://publichealth.nc.gov/hnc2020/foesummary.htm>

The NC smokefree restaurants and bars law has supported positive health outcomes with strong public support. Appalachian District Health Department Environmental Health staff monitors compliance in partnership with the NC Division of Public Health.

**NO NEED FOR RESERVATIONS ABOUT NORTH CAROLINA'S SMOKE-FREE LAW**

**MOST NORTH CAROLINIANS DON'T SMOKE**  
 Nearly **8** out of **10** are nonsmokers.

**THE SMOKE-FREE LAW HASN'T HARMED NORTH CAROLINA'S HOSPITALITY INDUSTRY**  
 A 2013 study of North Carolina's statewide smoke-free law concluded that the law had **NO NEGATIVE IMPACT** on the state's restaurant or bar employment.

**North Carolina's smoke-free restaurants and bars law REDUCED the weekly average Emergency Room visits for HEART ATTACKS by 21%**

**PUBLIC SUPPORT IS HIGH**  
 A 2012 poll found that **83 percent** of North Carolina voters support the state's smoke-free law.

**IT PAYS TO GO SMOKE-FREE**

- Lower maintenance and overhead costs.
- Higher restaurant resale value.
- Healthier workers.

**THERE IS NO SAFE LEVEL OF SECONDHAND SMOKE**  
 SECONDHAND SMOKE CONTAINS **250 TOXIC CHEMICALS** & MORE THAN **50 CAUSE CANCER**

*"By going nonsmoking, it gave us a whole new market of customers."*  
**Robert Nixon, JACKALOPE JACKS, CHARLOTTE, NC**

State of North Carolina | Pat McCrory, Governor  
 Department of Health and Human Services | Aldona Z. Wos, M.D., Secretary  
 Division of Public Health  
[www.ncdhhs.gov](http://www.ncdhhs.gov) | [www.publichealth.nc.gov](http://www.publichealth.nc.gov)  
 N.C. DHHS is an equal opportunity employer and provider.

Learn more from North Carolina restaurant and bar owners about operating smoke-free in a new video at [www.youtube.com/smokefreebusiness](http://www.youtube.com/smokefreebusiness).

**NCPH**  
 North Carolina Public Health

**dhhs**  
 the department of health and human services



*Promoting safe & healthy living, preventing disease, & protecting the environment*



**Alleghany County Health Department**

157 Health Services Road  
Sparta, NC 28675

(336) 372-5641 Clinic

(336) 372-5644 WIC

(336) 372-8813 Finance Office

1-866-257-5542 Dental Clinic

[www.apphealth.com](http://www.apphealth.com)



**Ashe County Health Department**

413 McConnell Street  
Jefferson, NC 28694

(336) 246-9449 Clinic

(336) 246-2013 WIC

(336) 246-3356 Environmental Health Office

1-866-257-5542 Dental Clinic

[www.apphealth.com](http://www.apphealth.com)



**Watauga County Health Department**

126 Poplar Grove Connector  
Boone, NC 28607

(828) 264-6635 Clinic

(828) 264-6641 WIC

(828) 264-4995 District Office/Environmental Health

1-866-257-5542 Dental Clinic

[www.apphealth.com](http://www.apphealth.com)

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**AGENDA ITEM 7:**

**PROPOSED APPOINTMENT OF HOME AND COMMUNITY CARE BLOCK GRANT (H&CCBG) 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. In that this is the first reading, you may delay action or waive your policy and appoint the members to the Advisory Board as presented.

Direction from the Board is requested.



# Watauga County Project on Aging

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

Website: [www.wataugacounty.org/aging](http://www.wataugacounty.org/aging) [angie.boitnotte@watgov.org](mailto: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 27, 2014

**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 2015. I also recommend that the Watauga County Project on Aging be appointed as the Lead Agency.

**HOME AND COMMUNITY CARE BLOCK GRANT  
ADVISORY COMMITTEE FY 2015**

**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**

Billy Kennedy  
1100 Rock Springs Rd.  
Vilas, NC 28692

Watauga County Board of Commissioners  
297-4123  
billy.kennedy@watgov.org

Director  
Area Agency on Aging  
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Boone, NC 28607

High Country Council of Governments  
265-5434 ext. 122

Betsy Richards, Adult Services Supervisor  
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Boone, NC 28607

Watauga County Department of Social Services  
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Cooperative Extension  
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Christy Pruess, Northern Region Director  
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Blowing Rock, NC 28605

Senior Citizen (STHL Alternate)  
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Betty Wyse  
314 Meadowview Dr., Apt. 401  
Boone, NC 28607

Senior Citizen  
264-5482

Updated: 01/17/14



**AGENDA ITEM 8:**

**TAX MATTERS**

*A. Monthly Collections Report*

**MANAGER'S COMMENTS:**

Mr. Larry Warren, Tax Administrator, 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 8:**

**TAX MATTERS**

*B. Refunds and Releases*

**MANAGER'S COMMENTS:**

Mr. Warren will present the Refunds and Releases Report.

Board action is required to accept the Refunds and Releases Report.

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**AGENDA ITEM 9:****PROPOSED AMENDMENTS TO THE FOLLOWING ORDINANCES AS RECOMMENDED BY THE WATAUGA COUNTY PLANNING BOARD:**

- A. Ordinance to Regulate High Impact Land Uses*
- B. Flood Damage Prevention Ordinance*
- C. Ordinance to Regulate Junkyards and Automotive Graveyards*
- D. Ordinance to Regulate Wind Energy Systems*
- E. Ordinance to Govern Structures on Land Adjacent to National Park Service Land*
- F. Ordinance to Govern Subdivisions & Multi-Unit Structures*
- G. Ordinance to Regulate Signs*
- H. Height of Structures Ordinance*
- I. Manufactured Home Parks Ordinance*

**MANAGER'S COMMENTS:**

In September the Board amended the County ordinances adopted under zoning authority to comply with Session Law 2013-126 of the North Carolina General Assembly. Mr. Furman was made aware through the North Carolina School of Government that one section of the new law regarding variances also applies to other development ordinances that were adopted under general ordinance making authority. Subsequently, Mr. Furman presented the proposed amendments to the County Planning Board of the nine (9) ordinances (listed above) in which the Planning Board recommended approval to the Board of Commissioners with minor changes.

Mr. Furman has included the proposed amendments along with a North Carolina School of Government bulletin detailing the issue at hand. Mr. Furman has instructed that the Board ignore the bottom half of page 5 of the bulletin as it is not applicable. According to Mr. Furman the proposed amendments are mostly wording changes to standardize the ordinances and to bring them in compliance with state statutes. A key point to note is that the Board of Commissioners will no longer hear variance requests and the Board of Adjustments would be the primary variance granting Board. The recommendation is based on the fact that the Board of Adjustment is trained for such cases and operates in a quasi-judicial manner. The Planning Board would continue to hear variances related to the subdivision regulations and the manufactured home park ordinances as the Board currently reviews plans submitted for these ordinances. The Board of Commissioners would hear appeals of the Planning Board decisions under the subdivision regulations and the manufactured home park ordinances as well as the wind energy ordinance.

Mr. Furman will present the proposed amendments and request the Board set a public hearing for the February 18, 2014 meeting.

Board action is requested.

**STAFF REPORT****VARIOUS ORDINANCE TEXT AMENDMENTS**

**Necessitated by S.L. 2013-126 “An Act to Clarify and Modernize Statutes Regarding Zoning Boards of Adjustment”**




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**TO:** County Planning Board  
Board of County Commissioners

**FROM:** Planning & Inspections Department Staff

**DATE:** January 27, 2014

**RE:** Legislation affecting local ordinances that involve the Board of Adjustment **and other Boards making quasi-judicial decisions.**

**SYNOPSIS:**

In September 2013, staff presented ordinance amendments necessitated by S.L. 2013-126, the modernization of zoning board of adjustment statutes. We recently learned that the impact of this legislation goes beyond ordinances and procedures that involve the board of adjustment. This legislation applies to actions taken by **any board** acting in a quasi-judicial capacity and applies to **any ordinance** dealing with land use or development, even those adopted under general ordinance making authority (non-zoning ordinances).

**SUMMARY:**

Because Watauga County has adopted several non-zoning ordinances that provide for administrative reviews of staff decisions (appeals) or requests to vary provisions of the ordinance (variances, special exceptions, etc.), the new legislation necessitates amendments to those ordinances. In addition, special rules apply to making decisions that are quasi-judicial in nature. The Board of Commissioners is authorized by statute to delegate quasi-judicial decision making to the Board of Adjustment, the first board in local government specifically authorized by statute and especially trained to deal with aspects of quasi-judicial decision making.

Affected ordinances include:

- 1) Ordinance to Regulate High Impact Land Uses
- 2) Flood Damage Prevention Ordinance
- 3) Ordinance to Regulate Junkyards and Automotive Graveyards
- 4) Ordinance to Regulate Wind Energy Systems
- 5) Ordinance to Govern Structures on Land Adjacent to National Park Service Land
- 6) Ordinance to Govern Subdivisions & Multi-Unit Structures
- 7) Ordinance to Regulate Signs
- 8) Height of Structures Ordinance
- 9) Manufactured Home Parks Ordinance

**PUBLIC HEARING AND NOTICE:**

Prior to taking action on many of the proposed amendments that follow, the Board of Commissioners must hold a duly advertised public hearing.

**PLANNING BOARD RECOMMENDATION:**

The Planning Board will review and comment on the proposed amendments prior to the public hearing. No plan consistency statement is necessary as local ordinance making authority in North Carolina is derived from and limited by State law.

**COUNTY COMMISSIONERS ACTION:**

The Commissioners' approval of these amendments is considered both reasonable and in the public interest because the County is obliged to comply with state law.

The following pages contain proposed amendments to affected Country ordinances. The text proposed to be removed is shown ~~struck-through~~ and new text proposed is shown in **bold** print.

## 1) ORDINANCE TO REGULATE HIGH IMPACT LAND USES

### ARTICLE IV PERMIT REQUIRED

#### Section 1. Permitting Process.

##### (a) Development Permits Required

No building or other structure subject to this ordinance shall be erected, moved, added to, or structurally altered without a Development Permit having been issued by the Ordinance Administrator. No building permit shall be issued except in conformity with the provisions of this ordinance. ~~or as duly authorized by the Board of Commissioners upon timely appeal pursuant to Article V of this ordinance.~~

#### Section 2. Appeal of Permit Denial.

If a Development Permit is finally denied, the applicant may appeal the action of the Ordinance Administrator to the Board of ~~Commissioners~~ **Adjustment**, as specified in Article V. Notice of appeal must be received in writing by the Clerk for the Board of Commissioners within ~~twenty (20)~~ **thirty (30)** days of the final decision of the Ordinance Administrator or notice to the applicant of the decision, whichever is later. Appeals received after this ~~twenty (20)~~ **thirty (30)** day period are not timely and shall not be considered.

### ARTICLE V APPEALS AND VARIANCES

Section 1. Board of ~~Commissioners~~ **Adjustment**. The Watauga County Board of ~~Commissioners~~ **Adjustment**, as established by N.C.G.S. § 153A-25 ~~et seq.~~ shall hear all appeals, requests for variances, and all challenges to the decision or interpretation of the Ordinance Administrator.

Section 2. ~~Powers of Board of Commissioners~~ **Adjustment Powers**. The Board shall have the following powers:

- (a) To hear **and** decide ~~and review~~ appeals from any **final binding** order, requirement, ~~decision~~, or determination made by the Ordinance Administrator ~~in the performance of its duties~~ **charged with enforcement of the ordinance**; and
- (b) To hear and decide applications for variances from the requirements of this Ordinance in accordance with Article V, Section 5. Nothing in this Section shall be construed to broaden the power of the Board to permit a use by variance beyond that power given in Article V, Section 5 below.

Section 3. Administration. The Board shall adopt rules of procedures and regulations for the conduct of its affairs.

#### Section 4. Quorum and Vote Required.

~~A quorum of the Board, necessary to conduct any business of the Board, shall consist of four-fifths of the total membership of the Board. The concurring vote of a simple majority of the total membership of the Board shall be necessary in order to:~~

- ~~(a) Reverse any order, requirement, decision or determination of the Ordinance Administrator;~~
- ~~(b) Decide in favor of the applicant any matter upon which it is required to pass by this Ordinance; or~~
- ~~(c) Approve an application for a variance~~



**A concurring vote of a simple majority of the members shall be required to decide upon all matters to come before the board. For the purpose of this subsection, vacant positions on the board and members who are disqualified from voting shall not be considered members of the board for calculation of the requisite majority.**

Section 5. Application of the Variance Power.

~~A variance shall only be allowed by the Board of Commissioners in cases involving practical difficulties or unnecessary hardships. Any authorizing of a variance shall not destroy the intent of the ordinance. Any authorized variance shall be recorded in the minutes of the Watauga County Board of Commissioners. A hardship, as used in the context of this section, shall be considered to be some unique or unusual character of the proposed site, including but not limited to unique size, shape, contour, or distance requirement. An economic hardship to the applicant is not to be considered for a variance.~~

~~The Board may grant a variance upon finding that the following conditions exist:~~

- ~~1) Extraordinary and exceptional conditions exist pertaining to the particular place or property in question because of its size, shape, or topography.~~
- ~~2) The variance will not confer upon the applicant any special privileges that are, or would be, denied to other similarly situated individuals.~~
- ~~3) This ordinance would deprive the applicant of rights commonly enjoyed by other similarly situated individuals.~~
- ~~4) The variance would not seriously deter from the purpose and intent of this ordinance and will not be injurious to the neighborhood or to the general welfare.~~
- ~~5) The special circumstances causing the need for variance(s) are not the fault of the applicant.~~

**When unnecessary hardships would result from strict application of the ordinance, upon application by an aggrieved party with standing, the Board of Adjustment may hold a hearing pursuant to NCGS §160A-388 (a2) and may grant variances to the provisions of the ordinance in accordance with the standards and procedures established in NCGS §160A-388(d), and as established by County policy.**

The Board may impose reasonable conditions upon the granting of any variance in order to protect the public interest or neighboring property owners. Violation of any such conditions shall be a violation of this ordinance and subject to the penalties set forth in Article VI of this ordinance.

## ARTICLE VI ENFORCEMENT AND PENALTIES

Section 5. Ordinance Amendments. This Ordinance may be amended by the Board of Commissioners following a public hearing on the proposed changes. The Board shall cause notice of the hearing to be published once a week for two successive calendar weeks. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included.

**Should any Federal or State regulation or statute incorporated herein by reference or otherwise referred to herein, be changed or amended, or should either require or mandate a different procedure or change or impose new, different or additional requirements, then, in that event, this ordinance shall be deemed to have been amended without further action to have complied with such new, additional or amended requirements.**

## 2) FLOOD DAMAGE PREVENTION ORDINANCE

### ARTICLE 3. GENERAL PROVISIONS.

#### SECTION I. AMENDMENTS

**This Ordinance may be amended by the Board of Commissioners following a public hearing on the proposed changes.**

**Should any Federal or State regulation or statute incorporated herein by reference or otherwise referred to herein, be changed or amended, or should either require or mandate a different procedure or change or impose new, different or additional requirements, then, in that event, this ordinance shall be deemed to have been amended without further action to have complied with such new, additional or amended requirements.**

### ARTICLE 4. ADMINISTRATION.

#### SECTION D. CORRECTIVE PROCEDURES.

(4) Appeal: Any owner who has received an order to take corrective action may appeal the order to the ~~local elected governing body~~ **Board of Adjustment** by giving notice of appeal in writing to the Floodplain Administrator and the Clerk **to the Board of Commissioners** within ~~ten (10)~~ **thirty (30)** days following issuance of the final **binding** order. In the absence of an appeal, the order of the Floodplain Administrator shall be final. The ~~local governing body~~ **Board of Adjustment** shall hear an appeal within a reasonable time and may affirm, modify and affirm, or revoke the order.

(5) Failure to Comply with Order: If the owner of a building or property fails to comply with an order to take corrective action for which no appeal has been made or fails to comply with an order of the ~~governing body~~ **Board of Adjustment** following an appeal, the owner shall be guilty of a misdemeanor and shall be punished at the discretion of the court.

#### SECTION E. VARIANCE PROCEDURES.

(1) The Board of Adjustment as established by Watauga County, hereinafter referred to as the “appeal board”, shall hear and decide requests for variances from the requirements of this ordinance. **When unnecessary hardships would result from strict application of the ordinance, upon application by an aggrieved party with standing, the Board of Adjustment may hold a hearing pursuant to NCGS §160A-388 (a2) and may grant variances to the provisions of the ordinance in accordance with the standards and procedures established in NCGS §160A-388(d), and as established by County policy.**

### 3) ORDINANCE TO REGULATE JUNKYARDS AND AUTOMOTIVE GRAVEYARDS

#### VIII. REMEDIES AND PENALTIES FOR VIOLATION

D. Appeal. Any person who receives a notice of violation may, within ~~ten (10) business~~ **thirty (30)** days of the day the notice was received, submit a written appeal to the Board of ~~County Commissioners~~ **Adjustment**. The appeal **is taken by filing** notice **with the county clerk and** shall specifically state the reasons for the appeal. ~~with a copy of the notice of violation attached thereto.~~ The County Manager shall schedule a hearing, for the next regular Board of County Commissioners' meeting, and notify the appellant, and the Board of County Commissioners shall render a decision ~~upholding, denying or modifying the notice of violation.~~ Accrual and imposition of the civil penalties shall be stayed pending the decision. ~~However, there will be no stay for equitable remedies available to the County. If the decision of the Solid Waste Enforcement Officer is affirmed, accrual and imposition shall resume.~~ **The Board of Adjustment shall hear and decide upon appeals within a reasonable timeframe and may affirm, modify or revoke the administrator's decision.**

#### XII. AMENDMENTS

**This Ordinance may be amended by the Board of Commissioners following a public hearing on the proposed changes.**

**Should any Federal or State regulation or statute incorporated herein by reference or otherwise referred to herein, be changed or amended, or should either require or mandate a different procedure or change or impose new, different or additional requirements, then, in that event, this ordinance shall be deemed to have been amended without further action to have complied with such new, additional or amended requirements.**

#### XIII. EFFECTIVE DATE

#### 4) ORDINANCE TO REGULATE WIND ENERGY SYSTEMS

##### Section 6 Appeals and Variances

6.1. ~~Board of Commissioners~~ **Adjustment**: The Watauga County Board of ~~Commissioners, as established by N.C.G.S. § 153A-25 et seq.~~ **Adjustment** shall hear all appeals, requests for variances, and all challenges to the decision or interpretation of the Ordinance Administrator.

6.2. ~~Powers of Board of Commissioners~~ **Adjustment Powers**: The Board shall have the following powers:

(a) To hear **and** decide ~~and review~~ appeals from any **final binding** order, requirement, ~~decision,~~ or determination made by the Ordinance Administrator ~~in the performance of its duties~~ **charged with enforcement of the ordinance**; and

(b) To hear and decide applications for variances from the requirements of this Ordinance in accordance with Section 6.5. Nothing in this Section shall be construed to broaden the power of the Board to permit a use by variance beyond that power given in Section 6.5 below.

6.3. Administration: The Board shall adopt rules of procedures and regulations for the conduct of its affairs.

All meetings of the Board shall be open to the public. The Board shall keep a record of its meetings, including of the vote of each member on every question, a fair and accurate summary of the evidence submitted to it, the documents (or accurate copies thereof) submitted to it and of all official actions.

The Board shall give due notice of matters coming before it.

In presenting an appeal, the petitioner shall bear the burden of proof, which shall be by the greater weight of the evidence.

All evidence presented to the Board of ~~Commissioners~~ **Adjustment** shall be sworn.

The person acting as Chairman of the Board **and the Clerk of the Board** ~~is are~~ authorized to administer oaths to any witnesses in any matter coming before the Board.

Application for variances, ~~requests for interpretations~~ and appeals for review of decisions of the Ordinance Administrator shall be filed with the **County Clerk**. ~~for the Board, as agent for the Board, on forms provided by the Clerk.~~

It shall be the responsibility of the Ordinance Administrator to notify ~~by certified mail~~ the applicant or appellant of the disposition which the Board makes of any matter before it.

It shall be the responsibility of the Ordinance Administrator to issue a permit in accord with the Board's action on an appeal or application, if a permit is authorized by the Board action.

6.4. Quorum and Vote Required:

~~A quorum of the Board, necessary to conduct any business of the Board, shall consist of four-fifths of the total membership of the Board.~~

~~The concurring vote of a simple majority of the total membership of the Board shall be necessary in order to:~~

- ~~(a) Reverse any order, requirement, decision or determination of the Ordinance Administrator;~~
- ~~(b) Decide in favor of the applicant any matter upon which it is required to pass by this Ordinance; or~~
- ~~(c) Approve an application for a variance~~

**A concurring vote of a simple majority of the members shall be required to decide upon all matters to come before the board. For the purpose of this subsection, vacant positions on the board and members who are disqualified from voting shall not be considered members of the board for calculation of the requisite majority.**

**6.5. Board of Commissioners: Upon application by an aggrieved party with standing, the Watauga County Board of Commissioners shall hear and decide upon appeals of a Planning Board decision in accordance with procedures outlined in Section 6.3. The Board of Commissioners shall conduct a *de novo* review and render a decision affirming, reversing, remanding or modifying the decision of the Planning Board.**

**6.6. Application of the Variance Power.**

~~A variance shall only be allowed by the Board of Commissioners in cases involving practical difficulties or unnecessary hardships. Any authorizing of a variance shall not destroy the intent of the ordinance. Any authorized variance shall be recorded in the minutes of the Watauga County Board of Commissioners. A hardship, as used in the context of this section, shall be considered to be some unique or unusual character of the proposed site, including but not limited to unique size, shape, contour, or distance requirement. An economic hardship to the applicant is not to be considered for a variance.~~

~~The Board may grant a variance upon finding that the following conditions exist:~~

- ~~1) Extraordinary and exceptional conditions exist pertaining to the particular place or property in question because of its size, shape, or topography.~~
- ~~2) The variance will not confer upon the applicant any special privileges that are, or would be, denied to other similarly situated individuals.~~
- ~~3) This ordinance would deprive the applicant of rights commonly enjoyed by other similarly situated individuals.~~
- ~~4) The variance would not seriously deter from the purpose and intent of this ordinance and will not be injurious to the neighborhood or to the general welfare.~~
- ~~5) The special circumstances causing the need for variance(s) are not the fault of the applicant.~~

**When unnecessary hardships would result from strict application of the ordinance, upon application by an aggrieved party with standing, the Board of Adjustment may hold a hearing pursuant to NCGS §160A-388 (a2) and may grant variances to the provisions of the ordinance in accordance with the standards and procedures established in NCGS §160A-388(d), and as established by County policy.**

The Board may impose reasonable conditions upon the granting of any variance in order to protect the public interest or neighboring property owners. Violation of any such conditions shall be a violation of this ordinance and subject to the penalties set forth in Section 7 of this ordinance.

**6.7. Application of Interpretation Power: An appeal from an order, requirement, or decision of the Ordinance Administrator shall be decided by the Board duly supported by competent**

evidence. In exercising this power, the Board shall act in a prudent manner so that the purposes and intent of the Ordinance shall be served. No decision shall have the effect of varying the terms of the Ordinance or permitting as a matter of right any use otherwise limited or prohibited hereunder.

**6.8. Appeal Stays Further Proceedings:** An appeal to the Board of ~~Commissioners~~ **Adjustment** from a decision or determination of the Ordinance Administrator stays all proceedings in furtherance of the decision or determination appealed from, except as provided in Section 6.9, during the pendency of the appeal.

**6.9. Exceptions to Stay of Action:** An appeal to the Board of ~~Commissioners~~ **Adjustment** of a decision or determination of the Ordinance Administrator shall not stay proceedings in furtherance of the decision or determination appealed from, if the Ordinance Administrator certifies either:

- (a) That a stay would cause imminent peril to life or property; or
- (b) That the situation subject to the appeal is transitory in nature and therefore, an appeal would seriously interfere with enforcement of this Ordinance.

In each instance, the Ordinance Administrator shall set forth in the certificate facts to support its conclusion.

**6.10. Appeals of Board Actions:** Every decision of the Board of **Adjustment or Board of Commissioners shall** be subject to review at the instance of any aggrieved party in the Superior Court by proceedings in the nature of a petition for writ of certiorari. Such proceedings in the Superior Court shall be initiated within thirty (30) days of the filing of the decision in the office of the Ordinance Administrator or the delivery of the notice required in Section 6.3, whichever is later. Appeals not received within this thirty (30) day period are not timely. The Superior Court is authorized to stay enforcement of this ordinance during the pendency of an appeal from the decision of the Board of Commissioners upon a hearing and the posting of a bond sufficient to the Court which will adequately protect the interests of the County.

## Section 7      Enforcement and Penalties

**7.5. Ordinance Amendments:** This Ordinance may be amended by the Board of Commissioners following a public hearing on the proposed changes. The Board shall cause notice of the hearing to be published once a week for two successive calendar weeks. The notice shall be published the first time not less than 10 days nor more than 25 days before the date fixed for the hearing. In computing such period, the day of publication is not to be included but the day of the hearing shall be included.

**Should any Federal or State regulation or statute incorporated herein by reference or otherwise referred to herein, be changed or amended, or should either require or mandate a different procedure or change or impose new, different or additional requirements, then, in that event, this ordinance shall be deemed to have been amended without further action to have complied with such new, additional or amended requirements.**

## 5) STRUCTURES ADJACENT TO NATIONAL PARK SERVICE LAND

### Article III – Appeal

Appeals may be taken from a decision under this ordinance by the Department of Planning and Inspections to the Board of ~~Commissioners~~ **Adjustment** by giving written notice of appeal to the Department and Clerk to the Board of Commissioners within ~~ten (10)~~ **thirty (30)** days following the day a permit is denied. The appeal shall contain the grounds thereof.

### Article IV – ~~Guidelines for Special Exceptions~~ **Variances**

~~On hearing an appeal, the Watauga County Board of Commissioners may overrule the decision of the Department of Planning and Inspections where it finds the Department has incorrectly interpreted and applied this ordinance. In addition, the Board may grant exceptions to this ordinance in situations where it finds a hardship exists.~~

**When unnecessary hardships would result from strict application of the ordinance, upon application by an aggrieved party with standing, the Board of Adjustment may hold a hearing pursuant to NCGS §160A-388 (a2) and may grant variances to the provisions of the ordinance in accordance with the standards and procedures established in NCGS §160A-388(d), and as established by County policy.**

## 6) ORDINANCE GOVERNING SUBDIVISIONS AND MULTI-UNIT STRUCTURES

### ARTICLE XI VARIANCES

Where, because of topographical or other conditions peculiar to the site, or as otherwise specified in this ordinance (Sections 70.05, 70.012, 71.025, 71.028), strict adherence to the provisions of this ordinance would cause an unnecessary hardship, the Planning Board may authorize a variance, if such variance can be made without destroying the intent of this ordinance. The Planning Board shall make written findings which either supports the granting of the variance or which specify why the variance should not be granted. All requests for variances must be made in writing by the developer or by the affected property owner. All requests for variance from setbacks shall be accompanied by a surveyed drawing showing property lines, right-of-way lines, existing structures, and proposed structures.

A variance may also be proper when environmental concerns are viewed in light of the spirit and intent of the planning ordinances. Such request may be made by the applicant or any member of the planning board. Variances will not ordinarily be granted if the special circumstances on which the applicant relies are a result of the actions of the applicant or owner or previous owners.

Reasonable conditions may be imposed in connection with a variance as deemed necessary to protect the best interests of the surrounding property or neighborhood, and otherwise secure the purpose and requirement of this chapter.

~~Variances may be granted in the sole discretion of the planning board for any subdivision plan only if all three expressly written findings below are made:~~

- ~~(1) That a strict or literal interpretation and enforcement of the specified standard or requirement would result in practical difficulty, unnecessary hardship or adverse environmental impact; and~~
- ~~(2) That the granting of the variance will not be detrimental to the public health, safety or welfare; and~~
- ~~(3) That the granting of the variance would support general objectives contained within this ordinance.~~

**When unnecessary hardships would result from strict application of the ordinance, upon application by an aggrieved party with standing, the Planning Board may hold a hearing pursuant to NCGS §160A-388 (a2) and may grant variances to the provisions of the ordinance in accordance with the standards and procedures established in NCGS §160A-388(d), and as established by County policy.**

### ARTICLE XII PENALTIES

#### SECTION 124. Appellate Procedure.

Any action taken by the Watauga County Planning Board ~~or staff~~ pursuant to this ordinance adverse to any party with standing to contest said decision, may ~~appeal~~ **be taken to** the Watauga County Board of Commissioners within thirty (30) days of the date of the decision by submitting written notice of appeal to the Watauga County Manager's Office. The notice of appeal shall state the grounds for the appeal with specificity. The County Manager shall schedule a hearing for the next regular Board of County Commissioners meeting (provided the appeal is received prior to the meeting agenda deadline) and notify the appellant of this meeting. The Board of County Commissioners shall **conduct a de novo review and** render a decision affirming, reversing, **remanding** or modifying the decision of the Planning Board.



**Any action taken by the Ordinance Administrator pursuant to this ordinance adverse to any party with standing to contest said decision, may be taken by giving notice of appeal in writing to the Ordinance Administrator and the Clerk to the Board of Commissioners within ~~ten (10)~~ thirty (30) days following issuance of the final order. The Board of Adjustment shall hear an appeal within a reasonable time and may affirm, modify and affirm, or reverse the order.**

A decision of the Watauga County **Planning Board or the Board** of Commissioners on the appellants appeal may be appealed to the Watauga County Superior Court by the appellant. Such appeal shall be in the nature of a petition for certiorari and must be filed within thirty (30) days of the date of the decision of either ~~the Board. of County Commissioners.~~

Nothing in this section shall be deemed to amend or replace any appeals procedure set forth more specifically under any specific provision of this ordinance.

## ARTICLE XIII AMENDMENTS

### SECTION 130. Amendment Procedure.

This ordinance may be amended from time to time by the Board of County Commissioners as herein specified, but no amendment shall become effective unless it shall have been proposed by or shall have been submitted to the Planning Board for review and recommendation. The Planning Board shall have thirty (30) days within which to submit its report. If the Planning Board fails to submit a report within the specified time, it shall be deemed to have recommended approval of the amendment.

**Should any Federal or State regulation or statute incorporated herein by reference or otherwise referred to herein, be changed or amended, or should either require or mandate a different procedure or change or impose new, different or additional requirements, then, in that event, this ordinance shall be deemed to have been amended without further action to have complied with such new, additional or amended requirements.**

## 7) ORDINANCE TO REGULATE SIGNS

### I. Variances and Appeals

1. ~~Appeal: With Request for Variance: Recognizing that the strict application of the requirements of this chapter may work an undue hardship on certain applicants, variances from the strict application of the provisions of this chapter may be granted by the Watauga County Board of Adjustment. Each application for a variance shall be in writing and shall state the reasons for the request for variance. The basis for a claim of hardship shall not be economics alone. The Board of Adjustment shall grant the variance, grant the variance with conditions, or deny the variance within sixty (60) days of the date of appeal from the decision of the County administrative official. When unnecessary hardships would result from strict application of the ordinance, upon application by an aggrieved party with standing, the Board of Adjustment may hold a hearing pursuant to NCGS §160A-388 (a2) and may grant variances to the provisions of the ordinance in accordance with the standards and procedures established in NCGS §160A-388(d), and as established by County policy.~~

2. ~~Appeal: Without Request for Variance:~~ Any sign owner or applicant who alleges that a County administrative official acted erroneously in enforcing this ordinance may appeal the decision of that administrative official to the Board of Adjustment as specified in I.1 above.

## 8) HEIGHT OF STRUCTURES ORDINANCE

### ARTICLE III – APPEALS

Appeals may be taken from a **final binding** decision under this ordinance by the Department of Planning and Inspections to the Board of ~~Commissioners~~ **Adjustment** by giving written notice of appeal to the Department and Clerk to the Board of Commissioners within ~~ten (10)~~ **thirty (30)** days following the day a permit is denied. The appeal shall contain the grounds thereof.

### ARTICLE IV – GUIDELINES FOR SPECIAL EXCEPTIONS VARIANCES

~~On hearing an appeal, the Watauga County Board of Commissioners may overrule the decision of the Department of Planning and Inspections where it finds the Department has incorrectly interpreted and/or applied this ordinance. In addition, the Board of Commissioners may grant exceptions to this ordinance in situations where it finds that the proposed structure meets the following criteria:~~

- ~~(a) The structure complies with the provisions of the National Fire Protections Association Life and Safety Code (NFPA 101), if applicable.~~
- ~~(b) The structure will have adequate access to water and approved sewage disposal system that will not have any adverse effect on the land and surrounding area.~~
- ~~(c) The structure would not substantially alter the character of the land on which it is to be constructed, would not have a substantially adverse effect upon the value of adjacent properties, and will be in harmony with the area in which it is located.~~

**When unnecessary hardships would result from strict application of the ordinance, upon application by an aggrieved party with standing, the Board of Adjustment may hold a hearing pursuant to NCGS §160A-388 (a2) and may grant variances to the provisions of the ordinance in accordance with the standards and procedures established in NCGS §160A-388(d), and as established by County policy.**

## 9) MANUFACTURED HOME PARKS ORDINANCE

### Section 9. Variances

~~Where, because of topographical or other conditions peculiar to the site, strict adherence to the provisions of this ordinance would cause an unnecessary hardship, the Planning Board may authorize a variance, if such variance can be made without destroying the intent of this ordinance. Any ordinance thus authorized is required to be entered in writing in the Official Minutes of the Planning Board with the reasoning set forth on which the departure was justified. All requests for variances must be made in writing by the developer.~~

**When unnecessary hardships would result from strict application of the ordinance, upon application by an aggrieved party with standing, the Planning Board may hold a hearing pursuant to NCGS §160A-388 (a2) and may grant variances to the provisions of the ordinance in accordance with the standards and procedures established in NCGS §160A-388(d), and as established by County policy.**

### Section 11. Amendment procedure.

This ordinance may be amended from time to time by the Board of County Commissioners, but no amendment shall become effective unless it shall have been proposed by or shall have been submitted to the Planning Board for review and recommendation. The Planning Board shall have thirty (30) days within which to submit its report. If the Planning Board fails to submit a report within the specified time, it shall be deemed to have approved the amendment. All amendments must be submitted through the public hearing process in accordance with NCGS 153A.

**Should any Federal or State regulation or statute incorporated herein by reference or otherwise referred to herein, be changed or amended, or should either require or mandate a different procedure or change or impose new, different or additional requirements, then, in that event, this ordinance shall be deemed to have been amended without further action to have complied with such new, additional or amended requirements.**

### Section 16. Appeals Procedure.

Every decision of the Planning Board shall be subject to *de novo* review at the request of any aggrieved party **with standing** by the Watauga County Board of Commissioners. The appeal to the Commissioners must be filed within 30 days of ~~the filing by the secretary of the Planning Board of the decision in the office of the Department of Planning and Inspections or the delivery of the first class mail notice to the aggrieved party, whichever is later.~~ **actual or constructive notice of the Planning Board's decision.**



# 2013 North Carolina Legislation Related to Planning and Development Regulation

Richard D. Ducker, Adam Lovelady, and David W. Owens

The 2013 session of the North Carolina General Assembly marked the first time in modern history that the Republican Party controlled both houses of the legislature and the Governor's Office. While significant amendments were made to state laws in many areas, this shift did not produce major new legislation on planning and development regulation. More substantial changes were made to environmental laws.

One significant legislative initiative was a comprehensive modernization of the statute regarding quasi-judicial decision making and boards of adjustment. New statutes also addressed development near military bases, removal of vegetation for billboard visibility, and billboard repair and replacement. Legislation was considered, but not adopted, to limit use of design standards in development regulation, to eliminate zoning protest petitions, and to change municipal extraterritorial planning jurisdiction.

In related fields, a major initiative was adopted to establish stronger data-driven priorities for transportation funding. New state programs were established to promote energy development, regulate hydraulic fracking for natural gas production, and regulate wind energy projects. Other legislation reconstitutes major environmental regulatory commissions.

## Zoning and Development Regulation

### Quasi-judicial Procedures and Boards of Adjustment

Session Law (hereinafter S.L.) 2013-126 (H 276), effective October 1, 2013, modernizes the board of adjustment statute. The new legislation does not drastically alter the fundamental aspects of the prior law, but it does make several important changes. The bill was proposed by the North Carolina Bar Association. It had general support from most affected parties and was unanimously approved by both the House of Representatives and the Senate.

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The new law includes a number of stylistic and organizational changes to clarify the statute. Outdated, awkward, and confusing language and syntax are removed. Gender-neutral language is used throughout. Related provisions are consolidated and section headings are added for readability. The separate section on boards of adjustment in the county statutes is repealed and replaced with Section 153A-345.1 of the North Carolina General Statutes (hereinafter G.S.), a cross-reference to the city statute. This change eliminates current and future city-county differences. The law incorporates reference to recent legislation (G.S. 160A-393) on judicial review of quasi-judicial decisions.

The act also modernizes the statute and establishes uniform procedures to be applied across the state. Several provisions were added to the statutes to codify case law on various points, particularly the basic due process rules for all quasi-judicial zoning matters set by *Humble Oil & Refining Co. v. Board of Aldermen*, 284 N.C. 458 (1974).

### ***Specialized Boards***

In addition to the standard board of adjustment, G.S. 160A-388(a) now authorizes (but does not require) appointment of specialized boards to hear technical appeals. Some cities and counties have expressed an interest in having such special boards to hear appeals on stormwater plans, subdivision plats, or other engineering and technical matters. The law also continues to allow an ordinance to designate the planning board or governing board to hear any quasi-judicial matter.

### ***Notice of Hearings***

G.S. 160A-388(a2) creates a uniform notice requirement for hearings on quasi-judicial matters. The prior law required "reasonable notice to parties," and local ordinances defined this notice in varying ways, if at all. The new notice provisions are similar to those required for a zoning map amendment, with the exception that newspaper published notice is not mandated. Notice of the hearing must be mailed to the person who submitted the application that is the subject of the hearing, the owner of the affected property (if that is not the person requesting the hearing), adjacent owners, and anyone else entitled to mailed notice under the local ordinance. A notice of the hearing must be posted on or adjacent to the site that is the subject of the hearing. Both the mailing and posting must be made in the ten- to twenty-five-day period prior to the hearing.

### ***Hearing Process***

Reflecting the law established in *Humble Oil*, G.S. 160A-388(e2) provides that decisions must be based on competent, material, and substantial evidence in the hearing record. The new law makes several adjustments to hearing practices. G.S. 160A-388(f) authorizes the board's clerk to administer oaths to witnesses. Previously the law provided that the board chair would administer oaths, which is still also allowed. G.S. 160A-388(g) clarifies the process for requesting and objecting to subpoenas. Requests are made to the board chair by a person with standing to participate in the hearing. The chair is to issue subpoenas that are "relevant, reasonable in nature and scope, and not oppressive." The chair is also to rule on motions to quash or modify a subpoena. Appeals of rulings on subpoenas may be made to the full board. False testimony under oath remains a misdemeanor, but the provision of the prior law limiting the use in any subsequent legal action of testimony made pursuant to a subpoena is now deleted.

### *Decisions*

Again codifying the law from *Humble Oil*, G.S. 160A-388(e2) provides that decisions must be in writing and reflect the board's determination of contested facts and the application of those facts to the applicable standards. The statute goes on to provide that the decision must be made in a reasonable time and be signed by the chair or other duly authorized member. The decision is effective when it is filed with the clerk to the board or another official specified by the ordinance. The decision must be delivered to the applicant, the property owner, and any other person who prior to the effective date submitted a written request for a copy of the decision. It can be delivered by personal delivery, electronic mail, or first-class mail. The person required to make delivery must certify that proper notice of the decision has been made.

These changes strongly suggest that a letter or other written decision document should be prepared for each quasi-judicial decision. In the past some boards relied on the minutes of the board meeting to serve as the written record of its decisions.

### *Appeals*

G.S. 160A-388(a1) defines the decisions that are subject to these appeals. It codifies the rule on the jurisdiction of the board by specifying that the decisions that can be appealed to the board are "any final and binding order, requirement, or determination" made by an administrative official charged with enforcement of a zoning or unified development ordinance. The ordinance may, but is not required to, assign appeals of decisions on other development regulations to the board of adjustment.

A number of changes were made regarding appeals to the board of adjustment. G.S. 160A-388(b1) consolidates the provisions on these appeals.

Appeals are initiated by a person with standing to appeal. A notice of appeal must be filed with the city or county clerk and must state the grounds for the appeal. New issues may be raised at the hearing, but if doing so would unduly prejudice a party, the board must continue the hearing to allow time for an adequate response.

The act adds a uniform time to make appeals to the board. Appeals must be filed within thirty days of notice of a final, binding administrative decision. Previously the law allowed each individual ordinance to set a time limit for making an appeal.

A question now arises of when this thirty-day period begins to run. G.S. 160A-388(b1)(2) stipulates that a final, binding determination by a zoning administrator must be provided in writing and delivered by personal delivery, electronic mail, or first-class mail to the person requesting it. That person then has thirty days from receipt of the decision to make the appeal. Any other person with standing, such as an affected neighbor, has thirty days from receipt of actual or constructive notice of the decision to file an appeal. An example of actual notice would be receipt of a copy of the decision, such as is provided to the person requesting the decision. Constructive notice can be provided by activity on the site, such as grading, surveying, or other clearly visible indicators that a regulatory determination has been made. Constructive notice can, however, be nebulous. For example, if the determination addressed building height or a particular land use, the construction or activity on site would have to proceed to the stage that the implications of the determination become visible to a neighbor. G.S. 160A-388(b1)(4) adds an alternative for owners who want a more definitive point for determining that constructive notice has been provided. It gives the landowner the option of posting notice of the determination on the site to provide constructive notice to parties who may appeal that determination to the board of adjustment. This posted notice can be provided for zoning or subdivision determinations and

is the responsibility of the owner, not the local government. It is not mandatory unless the local ordinance requires it. Posted signs must be prominent, must include contact information for the local official making the decision, and must remain on the site for at least ten days. The owner must verify the posting to the local government. If a posting is made, constructive notice has been provided, and the thirty-day period to appeal begins to run from the date the notice is first posted.

Once an appeal is made, the official who made the decision being appealed must compile all of the documents and exhibits related to the matter and transmit this record to the board. A copy of this administrative record must also be provided to the person making the appeal (and to the landowner if that is not the person making the appeal).

As with the prior statute, an appeal of an enforcement action stays enforcement unless there is imminent peril to life or property or the violation is transitory in nature. In those instances where enforcement is not stayed, the appellant may request an expedited hearing. If that request is made, the board must meet within fifteen days to hear the appeal. An appeal does not stay further processing of permit applications, but the appellant may request, and the board may grant, a stay of a final decision or issuance of building permits pending resolution of the appeal. Such a stay or issuance of a permit does not occur automatically; the appellant must request it.

Zoning officials whose determinations are appealed must appear as witnesses at the appeal hearing.

When the board of adjustment hears an appeal from another board, the statute confirms that the board does not take any new evidence but rather reviews the record made by the other board's hearing. For example, in the review of a decision on a certificate of appropriateness made by a historic preservation commission, the board of adjustment acts as an appeals court and does not conduct a new hearing.

The law also expressly authorizes the parties to an appeal to agree to voluntary alternative dispute resolution (such as mediation). The zoning ordinance may set up procedures to facilitate and manage this process.

The statute eliminates the provision in prior law for the board of adjustment to hear cases involving disputed lot lines. The rationale for this deletion is that the board has no particular expertise on surveying or property boundaries; thus these issues are best resolved judicially if necessary. Since the location of zoning district boundaries is an interpretation of the ordinance, a staff determination of those lines can be appealed to the board.

Finally, the statute now requires only a simple majority vote for board decisions on appeals. Previously a four-fifths vote was required to overturn a staff decision or rule in favor of an appellant on an appeal. The statute was also clarified to provide that only the seats occupied by members eligible to vote on a matter are considered when calculating the requisite majority vote (that is, vacant seats and the seats of members disqualified from voting due to a conflict of interest are not considered in the calculation if no alternate is available to occupy that seat for the matter). The seats of members who are simply absent or who do not vote are counted for calculation of required majorities.

#### ***Special and Conditional Use Permits***

The only substantial amendment specifically applicable to special and conditional use permits involves voting majorities. G.S. 160A-388(e) now provides that only a simple majority is required for the board of adjustment to issue these permits. A similar change was made in 1981 for governing board and planning board decisions on special and conditional use permits.



### ***Variances***

The standard for variances is simplified by deleting the “practical difficulty” language. It retains the requirement for a showing of “unnecessary hardship,” which under North Carolina case law has long been the principal consideration for variances.

One of the more significant substantive changes made by the law is clarification as to what should be deemed an unnecessary hardship. G.S. 160A-388(d) provides that the hardship must result from conditions peculiar to the property (such as location, size, or topography), not the personal circumstances of the applicant. Hardships common to the neighborhood or general public also do not qualify for a variance (on the rationale that those hardships were anticipated and relief from them is more appropriately obtained through an ordinance amendment). A self-created hardship cannot be the basis for a variance, though purchasing the property knowing that circumstances exist that might justify a variance cannot be deemed a self-created hardship (as the new owner essentially steps into the shoes of the prior owner and is eligible to make the same request as that owner could have made). Finally, although the alleged hardship must be real and substantial, the applicant is not required to show no reasonable use could be made of the property without a variance. The statute continues the prohibition on use variances and the requirement that any variance be consistent with the spirit, purpose, and intent of the ordinance. Conditions on variances are also still authorized.

The four-fifths majority vote is retained for variances. Several local governments were subject to local legislation changing the four-fifths majority rule. These new rules are preserved until June 30, 2015, to allow time for consideration of new local legislation if there is an interest in extending these particular provisions.

Variances for development ordinances other than zoning are authorized but not required.

### **Development near Military Bases**

Two new laws affect development and notice of potential development near military bases.

S.L. 2013-59 (H 254) amends provisions regarding notice to military bases concerning adoption or amendment of local land use ordinances. It amends G.S. 160A-364(b) and G.S. 153A-323(b), which previously required notices of pending zoning map amendments be provided to base commanders. The updated law, effective May 22, 2013, expands the types of development regulation notices that must be submitted to the military base for review and comment. If no comments are received in thirty days, the opportunity to comment is deemed to be waived.

If the ordinance changes affect areas within five miles of a base perimeter, written notice must now be provided for the following:

1. Zoning maps
2. Permitted land uses
3. Telecommunication towers and windmills
4. New major subdivision preliminary plats
5. An increase in the size of an approved subdivision by more than 50 percent of its land area

While the statute addresses submission of proposed ordinances for review and comment, the last two items listed above concern individual project review rather than legislative amendments, thereby creating some ambiguity.

S.L. 2013-206 (H 433) addresses construction of structures over 200 feet tall near military bases. The law (G.S. 143-151.70 to G.S. 143-151.77) is known as the “Military Lands Protection

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**AGENDA ITEM 10:****MISCELLANEOUS ADMINISTRATIVE MATTERS*****A. Proposed Amendments to the Ambulance Franchise Agreement*****MANAGER'S COMMENTS:**

The Board approved the addition of a twelve (12) hour ambulance crew for Fiscal Year 2014. In conjunction with the additional crew, staff was able to negotiate the waiver of the CPI increase for 2014. The proposed agreement reflects the additional twelve (12) hour crew and the waiving of the CPI escalator for 2014. The agreement has an effective date of January 1, 2014 and runs through December 31, 2019. Changes were made as requested by the Board on the January 21, 2014 meeting to reflect the effective date of the subsidy adjustment to be 2015 and updating the years in Section 31. In addition, Section 15 was corrected to read from time to time instead of from time from time. The changes have been reviewed and approved by the County Attorney.

North Carolina General Statute 153A-46 requires a grant, renewal, extension, or amendment of any franchise to be passed at two regular meetings of the Board of Commissioners before it may be adopted. As this is the second reading, Board action is required to adopt the changes to the Ambulance Franchise Agreement as presented.

STATE OF NORTH CAROLINA

**AMBULANCE FRANCHISE AGREEMENT**

COUNTY OF WATAUGA

**THIS AMBULANCE FRANCHISE AGREEMENT** (hereinafter "Agreement") is made and entered onto this the 1st. day of January 2014 by and between **WATAUGA COUNTY**, a body politic, organized and existing under and by virtue of the laws of the State of North Carolina (hereinafter the "County"), and **WATAUGA MEDICS, INC.**, a North Carolina corporation, (hereinafter "Franchisee").

**WHEREAS**, effective October 4, 1999, the Watauga County Board of Commissioners, by authority contained in NC.G.S, 153A-250, adopted Ordinance Number XXX, titled "Watauga County Ambulance Franchise Ordinance" (hereinafter the "Ordinance"); and

**WHEREAS**, County and Franchisee executed an Ambulance Franchise Agreement dated November 16, 2004, pursuant to the Watauga County Ambulance Franchise Ordinance, Ordinance Number XXX, pursuant to the authority granted to the County by NCGS 153-250; and

**WHEREAS**, pursuant to said Ordinance, the County issued a Request For Proposal (hereinafter the "RFP") soliciting bids and specifying certain minimum conditions of any franchise to be issued pursuant thereto; and

**WHEREAS**, Craig J. Sullivan, on behalf of Watauga Medics, Inc., submitted a written bid entitled *Bid Proposal for Watauga County Ambulance Service* (hereinafter the "Bid") pursuant to said RFP; and

**WHEREAS**, the County, at its November 1, 2004, meeting resolved to accept the Bid Option 3-1 contained in said bid, to wit: that the bidder will provide service (as further specified below) with the County to provide an annual subsidy of as set forth below in monthly installment; and

**WHEREAS**, at the February 20, 2007, meeting of the Watauga County Board of County Commissioners, the County agreed to amend the agreement to clarify and restated the subsidy payment that were paid or are to be paid pursuant to the Agreement; and

**WHEREAS**, the parties have discussed an extension of the Agreement between the County and Franchisee in an effort to lock-in costs to the County and allow for the Franchisee to expand his operations to improve services in Watauga County.

**NOW, THEREFORE**, in consideration of the premises and the mutual benefits and obligations set forth below, the County and the Franchisee agree as follows:

1. The County does hereby grant unto Franchisee a non-exclusive franchise for the operation of an ambulance service for the provision of emergency and

non-emergency medical transport services, in accordance with the Ordinance, the RFP, the bid and this Agreement for a period of seven years.

2. This franchise may not be sold, assigned or transferred nor may it in any way vest in any person, firm or corporation, other than the Franchisee and any such sale, transfer or assignment shall cause this franchise to terminate immediately, at the opinion of Watauga County.
3. Any change in legal or equitable ownership of Franchisee, its corporate shares, or any of its equipment shall immediately terminate the Franchise, at the option of Watauga County.
4. The initial term of the Franchise shall be from 12:00 A.M. on January 1, 2014, and through and including the 31st day of December, 2019. Either party, for any reason, may with or without cause terminate this agreement and the Franchise upon one hundred eighty (180) calendar days written notice to the other party, unless sooner terminated for reasons set forth in the Ordinance or by agreement of the parties hereto.
5. At the end of the aforesaid term, unless the parties agree otherwise in writing or either party has given notice of termination as aforesaid, the Franchise and all of the terms of this Agreement (subject to any amendments as may be entered into) shall be automatically renewed for continuing one-year terms.
6. The Franchise shall provide all personnel, vehicles, supplies and equipment to provide all emergency and non-emergency ambulance service necessary in all parts of Watauga County on a 24 hour per day, 7 day per week basis, at not less than an EMT-Paramedic level of service (except so long as an agreement for such acceptable to the County is in place, the Franchise may provide ambulance service to the Flat Springs area of Avery County in exchange for Avery County's providing pursuant to agreement with Franchise ambulance service to the Town of Beech Mountain in Watauga County). Each ambulance of the Franchisee shall be available to render assistance to all portions of Watauga County.
7. Franchisee shall keep two (2) two-wheel drive ambulances and two (2) four-wheel drive ambulances fully equipped, licensed and available for emergency and non-emergency service at all times, subject to routine maintenance down time. As of January 1, 2014, Franchisee shall keep three of the ambulances manned and available on a 24 hour per day, 7 day per week basis and a third ambulance manned and available nine hours per day, Monday through Saturday, six (6) days per week. Not less than two (2) ambulances will be kept within the County at all times for services pursuant to this Agreement, one of which will be manned and the other of which will be manned or will have personnel on call for immediate service. Each ambulance necessary to meet the foregoing requirements shall have less than 50,000 miles on it at the time initially put in service by Franchisee. The

Franchisee will immediately notify the County in writing of any additions or deletions to its inventory of operational ambulances. Franchisee shall employ a fourth ambulance and crew to work seven days per week, twelve hours per day. In addition to new service for Watauga County, and the Franchisee shall strive not to place or dispatch said fourth crew for service outside the territorial jurisdiction of Watauga County except for emergency transports, when any of Franchisee's other crew is away on a routine transport.

8. The Franchisee shall maintain not less than two (2) bases, the first of which will be provided by the County as set forth below. The Franchisee must bear all responsibility for finding other station(s) and the costs associated with acquiring, equipping, and maintaining such.
9. Franchisee's first base of operations will be located at the facilities owned by the County at 921 West King Street, Boone, North Carolina 28607, or such other location as may be provided by the County. The County will make available, at no charge to Franchisee, said the facilities currently located at 921 West King Street, Boone, North Carolina 28607, specifically consisting of 5,263 square feet, including a garage, offices, sleeping area and a training room. The County shall provide property and casualty hazard insurance for the structure at said location. The Franchisee must bear all utilities, maintenance, medical supplies, equipment and other necessary expenses associated with said facilities provided by the County. Franchisee's obligation to provide maintenance to the structure shall be limited to repairs of ordinary wear and tear to the reasonable satisfaction of the County. Franchisee's two propane heaters and the lift located in the bay area of the building shall remain the property of Franchisee, so long as Franchisee repairs any damage to the building caused by their removal.
10. The Franchisee shall maintain a second base to be located at 133 Longvue Dr., Boone, North Carolina and the Franchisee shall be solely responsible for providing all things necessary for operation of the service at the second base, including but not limited to the building, utilities, maintenance, medical supplies, equipment and necessary operational expenses associated with the facilities.
11. Each ambulance used by Franchisee must be in compliance with all applicable Federal, State, and local laws relating to personnel, health, safety, equipment, vehicle design, and sanitation. Franchisee shall keep the County provided with a copy of the current State certification for each ambulance owned or operated by Franchisee.
12. The Franchisee shall be responsible for all future capital purchase and all operational, including (but not limited to) salaries, employee benefits and expenses, insurance, mobile operational costs, and all other fees, expenses, and charges necessary to remain in compliance with the County's ordinance and the franchise granted to the Franchisee.

13. The Franchisee shall provide the County with a list of all of its equipment which is in service, on not less than an annual basis, and the Franchisee shall assure that all of its equipment in use will be removed from service once it becomes obsolete or needs to be replaced due to normal wear and tear.
14. Each ambulance of Franchisee shall be equipped with an eight (8) channel VHF radio. Frequencies shall be assigned by the Communications Center designated by the County. Franchisee shall relay all ambulance movements to the Communications Center designated by the County, via two-way radio.
15. The Franchisee shall assure that its EMS personnel have access to operational Franchisee-issued pagers, or other communication devices along with accurate phone lists are on file to notify said personnel if the regular squads of the Franchisee are unable to handle the volume of calls that may come in from time to time.
16. The Franchisee shall at all times meet the following performance standards:
  - a. The average response time for an ambulance, calculated on a Monthly basis, shall not exceed ten minutes.
  - b. The Franchisee shall place no required ambulance in service for initial operation that has more than 50,000 miles.
17. The Franchisee shall not allow any paramedic to practice in Watauga County until he or she has passed an oral examination given by a panel of the Medical Director and unless he or she holds current certifications in advanced training courses specified by the Medical Director. It will be the responsibility of the Franchisee to coordinate with Watauga County to ensure a qualified Medical Director remains active in the system.
18. The Franchisee shall enter into and assure the existence of mutual aid agreements with ambulance services in counties adjoining Watauga County to provide assistance in the event of disaster or other special need, said agreements to be at the sole expense of the Franchisee. Additionally, the Franchisee shall implement and keep in place a Reserve Program, creating a County-wide manpower bank to be available in the event of a disaster or other special need. All training will be open to Reserves and any other individuals with NC Basic EMT Certification, or higher, who also meet Franchisees other reasonably developed standards. The Franchisee shall make all reasonable efforts to provide "ride time" to said reserves, to keep their skills current.
19. Franchisee shall enter into mutual aid agreements to have and make available assistance of and to all volunteer rescue squads in the County when requested by the County, the Franchisee or the volunteer rescue squads.

20. The Franchisee shall make its resources available to Watauga County Emergency Management Office during its emergency activities, and during any declared State of Emergency shall work in conjunction with the Emergency Operations Center.
21. The Franchisee shall oversee a First Responder program, which the Franchisee will assist the local fire departments with the needs of the program. The Franchisee shall assist in the development and implementation of operating guidelines for the program, and shall restock the supplies (not to include capital equipment or any drugs such as epi pens) used in the services of the First Responder. Further, the Franchisee shall coordinate continuing education requests and other training for all First Responders, as appropriate. All of the foregoing shall be provided to the program and First Responders at no cost to the First Responders or their sponsoring agency or agencies, all with no additional cost to the County.
22. The Franchisee shall operate on a fee for services basis, and shall only issue the following charges (when incurred) at the following rates, which are hereby approved by the County:

- |   |          |
|---|----------|
| a. Rates for BLS calls:                     | \$300.00 |
| b. Rates for ALS calls:                     |          |
| (non-emergency)                             | \$350.00 |
| (Emergency)                                 | \$385.00 |
| ALS II:                                     | \$550.00 |
| c. Charge per mile:                         | \$8.50   |
| d. Waiting time per hour (after first hour) | \$25.00  |
| e. No transport calls:                      |          |

A charge of \$50.00 is authorized for no transport calls when Franchisee responds to assist patients who just need assistance or patients who have initiated a 911 call and have changed their mind once Franchisee arrived. No charge under this subsection may be assessed when a 911 call is made by a bystander without the request of the injured party.

No other fees, expenses, or charges may be made without prior Resolution of the County's Board of Commissioners approving such.

23. The Franchisee shall be responsible for billing and collection of its fees, charges and expenses. The Franchisee must submit for payment from, third-party payers and accept assignment of Medicare and Medicaid Franchisee shall maintain accurate records of its charges and reimbursements from Medicare and other sources of all charges pursuant to the foregoing authorized increases, and shall compile and maintain such information in a



form useful to the County, which information shall be shared from time to time with the County, as the County may desire.

24. Franchisee shall maintain all records required by Sect XII of the Ordinance and shall submit to the County by the 15th of the month following each quarter a data sheet containing all of the information specified in subsection f of said Section of the Ordinance. The Franchisee shall submit an annual report containing all of the information required by said Section and further specified by subsection g of said Section by the 15th day of the month following the last quarter of each year. The Franchisee shall maintain the aforesaid records in an organized fashion, and allow the County full access to said information as the County deems appropriate. By the 15th of May of each year, the Franchisee shall submit to the County manager a budget of how it intends to spend the County's funds in the upcoming fiscal year, and within ninety (90) days of the end of the Franchisee's fiscal year, the Franchisee shall furnish the County a full and complete certified audit of Franchisee's operations conducted by a CPA in accordance with generally accepted auditing standards of Franchisee's operations, which shall include a fully-audited financial statement of the Franchisee. The Franchisee's fiscal year shall be from 1 January to 31 December of each year.
25. Each year, Franchisee shall provide the County a detailed explanation of its billing policies, sufficient to allow County to fully understand the billing methods and practices of the Franchisee.
26. Franchisee shall fully allow the County to inspect all records, premises and equipment of the Franchisee at any time in order to confirm and insure compliance with the ordinance and the franchise granted herein.
27. In providing ambulance service as described herein the Franchisee shall comply with all laws of the United States, the State of North Carolina and the County of Watauga, including rules and regulations promulgated by the Medical Care Commission and the NC Medical Board, and resolutions and ordinances of the Watauga County Board of Commissioners. Further, the Franchisee shall abide by all applicable US and North Carolina Labor laws, including, but not limited to, Occupational Safety and Health regulations, Fair Labor Standards Act and the Americans with Disabilities Act and regulations pursuant thereto. The County shall have the right to inspect all records pertaining to these labor laws and ensure compliance by the Franchisee. The Franchisee shall maintain records on all employee training conducted pursuant to Occupational Safety and Health regulations and shall make these available to the County upon request
28. Franchisee shall maintain in place an escrow account, a surety bond, an irrevocable letter of credit, or other guarantee or undertaking satisfactory to the County attorney, in an amount equal to the amount of the contract subsidy applicable to any one hundred eighty (180) day period following the date such obligation may arise to assure payment to the County for any

liability of the Franchisee to the County arising out of this Agreement, of the Ordinance, or of Franchisee's operation, and to pay for any substitute performance the County may cause to be provided upon Franchisees default in performance hereunder or under the Ordinance.

29. The Franchisee agrees and acknowledges that the above-referenced facilities of the County located at 921 West King Street, Boone, North Carolina are fully adequate facilities for the housing of their base operation at said location.
30. For the period of this agreement, the County shall prepay to Franchisee an annual subsidy in monthly installments as follows:

Jan. 1, 2014 - Dec. 31, 2014: \$958,518.12 + CPI waived.

Jan. 1, 2015 - Dec. 31, 2015: Previous Years amount + CPI adjustment

Jan. 1, 2016 - Dec. 31, 2016: Previous Years amount + CPI adjustment

Jan. 1, 2017 - Dec. 31, 2017: Previous Years amount + CPI adjustment

Jan. 1, 2018 - Dec. 31, 2018: Previous Years amount + CPI adjustment

Jan. 1, 2019 - Dec. 31, 2019: Previous Years amount + CPI adjustment

(this amount to be adjusted by the CPI as explained below. Each year thereafter the previous year's amount will be adjusted as explained below:

On each January 1, commencing on January 1, 2014<sup>5</sup>, the agreed-upon County subsidy shall be adjusted and revised as follows:

- a. 60 percent of the adjustment shall reflect the annual increase or decrease of the Consumer Price Index (CPI), South Urban Size C, as published by the US Department of Labor, Bureau of Labor Statistics.
- b. 20 percent of the adjustment shall reflect the annual increase or decrease of the CPI, Medical Care Services as published by the US Department of Labor, Bureau of Labor Statistics.
- c. 20 percent of the adjustment shall reflect the annual increase or decrease of the CPI, Transportation, as published by the US Department of Labor, Bureau of Labor Statistics.

In the event the CPI components produce a negative adjustment, once totaled, the Subsidy amount will not be adjusted. In the event the CPI components produce a percentage greater than 6% the annual increase will be 6% plus on-half (50%) of the amount over 6% up to 10% (For Example, if the CPI escalator is computed at 7.4% the annual increase would be 6.7% or  $6\% + .50 \times 1.4 = 6.7$ ). Any amount over 10% will not be considered for adjustment ie the maximum adjustment will be 8%. Or  $6\% + .50 \times 4\% = 8\%$ ).

31. The County will calculate the adjustment based upon the most recent November annual report of Franchisee as compared to the report of the previous November. (For example, the January 1, 2014<sup>5</sup>, adjustment will reflect the CPI changes between November 2013 and November 2014.)
32. Franchisee shall at all times during the existence of the Franchise, keep in full force and effect the insurance coverage as required by Section X of the Ordinance entitled "Insurance" and all insurance required by law, including liability insurance on its vehicles and workers' compensation coverage for its personnel. Franchisee shall provide proof of coverage to the County and to assure that each insurance policy contains provisions that assure that the County receives at least 90 days prior notice from each carrier of any lapses, cancellations, denials, changes or limitations in coverage. The County shall be shown as an additional insured on all of Franchisee's liability insurance.
33. The Franchisee shall indemnify and hold harmless the County and its officers and employees from and against all suits, actions, liability, claims, demands, judgments, recoveries or expenses, including court costs and attorney's fees, against or incurred by the County on account of or in any way connected with or arising from any claim of injury, loss or damage which arises out of or is in any manner connected with Franchisee's operations; including, but not limited to any claim or injury, loss or damage, suit, action, liability, claim, demand, judgment, recovery, or expense caused or alleged to be caused in whole or in part by any negligent act, omission, error, professional error, mistake, accident or other fault of the Franchisee, any subcontractor of the Franchisee, or an officer, employee or agent of the Franchisee.
34. Franchisee is to provide ambulance service as an independent contractor and neither Franchisee nor any of its personnel shall be an employee, agent or representative of the County in any way.
35. The Franchisee and its agents, contractors and subcontractors shall not discriminate on the basis of race, color, creed, national origin, ancestry, age, sex, religion or disability in any policy or practice and Franchisee shall assure that any agreements or practices it enters into or engages in expressly provide for such nondiscrimination.
36. This Agreement is entered into pursuant to the RFP which Franchisee acknowledges; to the Ordinance and all amendments as may be made thereto, which Franchisee is and will remain familiar with and agrees to fully abide by; to the bid by Watauga Medics, Inc., and to the County's resolutions of November 1, 2004, accepting said bid. Except to the extent this Agreement imposes standards above the minimum standards specified in the Ordinance, in the event of any inconsistency among or between the foregoing, the Ordinance shall control and as between this Agreement and the RFP, the Bid, and the Resolution, this Agreement shall control, but all of the terms of the aforesaid documents not inconsistent with the other documents shall remain in and have full force and effect.

37. Should any portion of this Agreement be ruled or determined invalid, such invalidity shall not effect the enforceability of the remaining portions hereof. This Agreement shall not be amended or modified except in writing, signed by all parties hereto, with the County’s consent to such modification to be only by prior resolution of its Board of Commissioners.

**IN TESTIMONY WHEREOF**, the said parties hereto have hereunto caused this instrument to be signed in their names by their duly authorized officers.

**WATAUGA COUNTY**

**WATAUGA MEDICS, INC.**

by: \_\_\_\_\_  
Nathan A. Miller, Chairman  
Watauga County Board of Commissioners

by: \_\_\_\_\_  
Craig Sullivan, President

ATTEST:

\_\_\_\_\_  
Anita J. Fogle,  
Clerk to the Board

\_\_\_\_\_  
Pamela Palmer,  
Corporate Secretary

(SEAL)

(SEAL)

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Margaret Pierce  
Watauga County Finance Officer

**AGENDA ITEM 10:****MISCELLANEOUS ADMINISTRATIVE MATTERS*****B. Proposed Lease for Probation and Parole*****MANAGER'S COMMENTS:**

As you are aware, the State of North Carolina began requiring counties to furnish space at no cost for court-related functions several years ago. Prior to that time, the Administrative Office of the Courts paid the County rent for their Probation and Parole Offices. Even though the County does not receive any rent, the Department of Public Safety requires that a lease be executed detailing the stipulations. Staff had requested a revised lease several months before the expiration date, October 30, 2013, and was provided the lease before you on December 9, 2013.

The Board directed the County Attorney to review the current lease and make any necessary changes and resubmit to the Board for consideration and approval.

Staff seeks direction from the Board.

**THIS LEASE DOES NOT BECOME EFFECTIVE UNTIL EXECUTED  
BY THE NORTH CAROLINA DEPARTMENT OF PUBLIC SAFETY**

STATE OF NORTH CAROLINA

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this the \_\_\_\_ day of \_\_\_\_\_ 2014, by and between **COUNTY of WATAUGA**, hereinafter designated as Lessor, and the **STATE OF NORTH CAROLINA**, hereinafter designated as Lessee;

**WITNESSETH:**

WHEREAS, authority to approve and execute this lease agreement was delegated to the Department of Administration by resolution adopted by the Governor and Council of State on the 1<sup>st</sup> day of September, 1981; and

WHEREAS, the Department of Administration has delegated to this State agency the authority to execute this lease agreement by a memorandum dated the 17<sup>th</sup> day of April, 1985; and

NOW THEREFORE, in consideration of the rental hereinafter agreed to be paid and the terms and conditions hereinafter set forth, Lessor does hereby let and lease unto Lessee and Lessee hereby takes and leases from Lessor for and during the period of time and subject to the terms and conditions hereinafter set out certain space in (See Below) **County of Watauga**, North Carolina, more particularly described as follows:

~~Being +/- 1,808 net square feet of office space located as may be allocated by the Watauga County Board of Commissioners at or near 133 N. North Water Street, Boone, Watauga County, North Carolina.~~

**(DEPARTMENT OF PUBLIC SAFETY- PROBATION & PAROLE)**

THE TERMS AND CONDITIONS OF THIS LEASE AGREEMENT ARE AS FOLLOWS:

1. The term of this lease shall be for a period of ~~three (3) years~~ one (1) year commencing on the **1<sup>st</sup> day of January, 2014**, or as soon thereafter as the leased premises are ceded to the Lessee and terminating on the ~~30<sup>th</sup> day of December, 2016~~ 31<sup>st</sup> day of December, 2014. Unless sixty days notice is provided by either party prior to the end of the current term, this Lease shall automatically renew for successive one year terms.

2. The Lessee shall pay to the Lessor as rental for said premises the sum of **\$1.00** Dollars per term to be payable within fifteen (15) days from receipt of invoice in triplicate.

The Lessee agrees to pay the aforesaid rental to Lessor at the address specified, or, to such other address as the Lessor may designate by a notice in writing at least fifteen (15) days prior to the due date.

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3. Lessor agrees to furnish to the Lessee, as a part of the consideration for this lease, the following services and utilities to the satisfaction of the Lessee.

- a. Heating facilities, air conditioning facilities, adequate electrical facilities, adequate lighting fixtures and sockets, hot and cold water facilities, and adequate toilet facilities.
- b. Janitorial services and supplies including maintenance of lawns, parking areas, common areas and disposal of trash.

~~e. All utilities except telephone.~~

~~c. Parking as available.~~

~~d. The lessor covenants that the leased premises are generally accessible to persons with disabilities. This shall include access into the premises from the parking areas (where applicable), into the premises via any common areas of the building and access to an accessible restroom.~~

4. During the lease term, the Lessor shall keep the leased premises in good repair and tenable condition, to the end that all facilities are kept in an operative condition. Maintenance shall include, ~~but is not limited to~~ furnishing and replacing electrical light fixture ballasts, air conditioning and ventilating equipment filter pads, if applicable, and broken glass. In case Lessor shall, after notice in writing from the Lessee in regard to a specified condition, fail, refuse, or neglect to correct said condition, or in the event of an emergency constituting a hazard to the health or safety of the Lessee's employees, property, or invitees, it shall then be lawful for the Lessee in addition to any other remedy the Lessee may have to make such repair at its own cost and to invoice the amount thereof to the Lessor. The Lessor reserves the right to enter and inspect the leased premises, at reasonable times, and to make necessary repairs to the premises.

5. It is understood and agreed that Lessor shall, at the beginning of said lease term as hereinabove set forth, have the leased premises ~~in a condition satisfactory to Lessee~~, including repairs, painting, partitioning, remodeling, plumbing and electrical wiring suitable for the purposes for which the leased premises will be used by Lessee.

6. The Lessee shall have the right during the existence of this lease, *with the Lessor's prior written consent*, to make alterations, attach fixtures, additions, structures or signs in or upon the leased premises. Such fixtures, additions, structures or signs so placed in or upon or attached to the leased premises under this lease or any prior lease of which this lease is an extension or renewal shall be and remain the property of the Lessee and may be removed therefrom by the Lessee prior to the termination of this lease or any renewal or extension thereof, or within a reasonable time thereafter. The Lessee shall have no duty to remove any improvement or fixture placed by it on the premises or to restore any portion of the premises altered by it. In the event Lessee elects to remove his improvements or fixtures and such removal causes damage or injury to the demised premises, Lessee will repair only to the extent of any such damage or injury.

7. If the said premises be destroyed by fire or other casualty without fault of the Lessee, this lease shall immediately terminate. ~~In case of partial destruction or damage by fire or other casualty without fault of the Lessee, so as to render the premises untenable in whole or in part, and during~~

~~such period of repair, and if the Lessor cannot provide suitable office space, the Lessee shall have the right to obtain similar office space at the expense of Lessee with reimbursement from the County or the Lessee may terminate the lease by giving fifteen (15) days written notice to the Lessor.~~

~~8. Lessor shall be liable to Lessee for any loss or damages suffered by Lessee which are a direct result of the failure of Lessor to perform an act required by this lease, and provided that Lessor could reasonably have complied with said requirement.~~

~~9.8.~~ Upon termination of this lease, the Lessee will peaceably surrender the leased premises in as good order and condition as when received, reasonable use and wear and damage by fire, war, riots, insurrection, public calamity, by the elements, by act of God, or by circumstances over which Lessee had no control or for which Lessor is responsible pursuant to this lease, excepted.

~~10.9.~~ The Lessor agrees that the Lessee, upon keeping and performing the covenants and agreements herein contained, shall at all times during the existence of this lease peaceably and quietly have, hold, and enjoy the leased premises free from the adverse claims of any person.

~~11.10.~~ The failure of either party to insist in any instance upon strict performance of any of the terms and conditions herein set forth shall not be construed as a waiver of the same in any other instance. No modification of any provision hereof and no cancellation or surrender thereof shall be valid unless in writing and signed and agreed to by both parties.

~~12.11.~~ Any hold over after the expiration of the said term or any extension thereof, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, so far as applicable; however, either party shall give not less than sixty (60) days written notice to terminate the tenancy.

~~13.12.~~ The parties to this lease agree and understand that the continuation of this lease agreement for the term period set forth herein, or any extension or renewal thereof, is dependent upon and subject to the appropriation, allocation or availability of funds for this purpose to the agency of the Lessee responsible for payment of said rental. The parties to this lease also agree that in the event the agency of the Lessee or that body responsible for the appropriations of said funds, in its sole discretion, determines, in view of its total local office operations that available funding for the payment of rents are insufficient to continue the operation of its local offices on the premise leased herein, it may choose to terminate the lease agreement set forth herein by giving Lessor written notice of said termination, and the lease agreement shall terminate immediately without any further liability to Lessee.

~~14.13.~~ All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed as follows: To the Lessor at **814 W. King Street, Suite 205, Boone, North Carolina 28607** and the Lessee at **4227 Mail Service Center, Raleigh, North Carolina 27699-4227**. Nothing herein contained shall preclude the giving of such notice by personal service. The address to which notices shall be mailed as aforesaid to either party may be changed by written notice.

"N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State



Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization."

IN TESTIMONY WHEREOF, this lease has been executed by the parties hereto, in duplicate originals, as of the date first above written.

STATE OF NORTH CAROLINA

\_\_\_\_\_(SEAL)  
By: Drew Harbinson,  
Director of Purchasing & Logistics

LESSOR:

\_\_\_\_\_(SEAL)  
By: The County of Watauga  
~~Deron Geouque, County Manager~~  
Nathan A. Miller, Chairman

ATTEST:

\_\_\_\_\_  
Secretary  
Anita Fogle, Clerk to the Board  
(CORPORATE SEAL)

STATE OF NORTH CAROLINA

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public in and for the County and State aforesaid, do hereby certify that ~~Deron Geouque~~Nathan A. Miller, personally came before me this day and acknowledged that he is the Chairman of the Watauga County Manager Board of Commissioners, and that by authority and given as an act of **Watauga County** and acknowledged the due execution of the foregoing instrument in its name.

WITNESS my hand and Notarial Seal, this the \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**AGENDA ITEM 10:**

**MISCELLANEOUS ADMINISTRATIVE MATTERS**

*C. Tentative Annual Pre-Budget Retreat Agenda*

**MANAGER'S COMMENTS:**

A draft agenda for the Board's retreat scheduled for February 21 and 22 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**  
**COMMISSIONERS' BOARD ROOM**  
**WATAUGA COUNTY ADMINISTRATION BUILDING, BOONE, NC**  
**FEBRUARY 21 & 22, 2014**

<b>TIME</b>	<b>TOPIC</b>	<b>PRESENTER</b>	<b>PAGE</b>
<b>FRIDAY, FEBRUARY 21, 2014</b>			
12:00 PM	<b>LUNCH &amp; OPENING REMARKS</b>	MR. DERON GEOUQUE	
12:30 PM	<b>FY 2014 REVIEW AND DISCUSSION OF 2015 BUDGET</b> A. Revenues B. Expenditures C. Funding of Non-County Departments D. Debt Service Report E. Budget Calendar	MS. MARGARET PIERCE	
1:00 PM	<b>BREAK</b>		
1:15 PM	<b>SCHOOL BOARD FUNDING ISSUES</b> A. Schools' Capital Improvement Plan B. FY 2014 Funding Needs		
2:30 PM	<b>TOURISM DEVELOPMENT AUTHORITY (TDA)</b>	MR. MATT VINCENT, & MR. WRIGHT TILLEY	
3:00 PM	<b>HEALTH DEPARTMENT MATTERS</b>	MS. BETH LOVETTE	
3:30 PM	<b>LANDFILL ENERGY PROJECTS DISCUSSION</b> A. Report on Recycling and Methane to Electricity Project B. Review of Solar Energy Project	MS. LISA DOTY MR. GED MOODY	
4:00 PM	<b>CALDWELL COMMUNITY COLLEGE &amp; TECHNICAL INSTITUTE</b>	DR. KENNETH BOHAM	
4:15 PM	<b>TAX MATTERS</b> A. Revaluation Update B. Revaluation Schedule	MR. LARRY WARREN	
5:00 PM	<b>REVIEW OF CURRENT CAPITAL IMPROVEMENT PLAN (CIP)</b> A. Current CIP Status Report B. Old AppalCART Building C. CCC&TI Watauga Continuing Education Center Building D. New River Property E. Future Projects for Consideration	MR. DERON GEOUQUE & MR. ROBERT MARSH	
5:30 PM	<b>WRAP UP, GOALS &amp; OBJECTIVES, BOARD DIRECTIVES</b>		
6:00 PM	<b>RECESS UNTIL SATURDAY, FEBRUARY 23, 2013 AT 9:00 AM</b>		
<b>SATURDAY, FEBRUARY 22, 2014</b>			
9:00 AM	<b>WATAUGA COMMUNITY HOUSING TRUST REPORT</b> A. Board Re-Appointments B. Update	MR. SCOTT EGGERS	
9:05 AM	<b>ECONOMIC DEVELOPMENT MATTERS</b> A. Conceptual Plan for Business and Technology Park B. Update C. Economic Development Commission (EDC) Report/Discussion D. Appalachian Enterprise Center (AEC)	MR. JOE FURMAN	
9:30 AM	<b>PLANNING AND INSPECTIONS MATTERS</b> A. Update on Greenway Projects	MR. JOE FURMAN	
10:00 AM	<b>EMS REPORT</b>	MR. CRAIG SULLIVAN	
11:30 AM	<b>MISCELLANEOUS &amp; COMMISSIONER MATTERS</b> A. Health Savings Account Banking Relationship B. Update on New DSS Director C. State Issues D. Commissioners Matters	MR. DERON GEOUQUE	
11:45 AM	<b>WRAP UP, GOALS &amp; OBJECTIVES, BOARD DIRECTIVES</b>		
12:00 PM	<b>ADJOURN</b>		162

**AGENDA ITEM 10:****MISCELLANEOUS ADMINISTRATIVE MATTERS***D. Boards & Commissions***MANAGER'S COMMENTS:****Recreation Commission**

The Town of Boone recommends that Mr. Greg Dobbins and Mr. Joseph Robinson be appointed as Town of Boone representatives on the Watauga Recreation Commission. The above are second readings and, therefore, action may be taken, if so desired.

**Watauga County Board of Adjustment**

One (1) appointment is still needed to the Watauga County Board of Adjustment which meets infrequently. The two (2) zoned areas of the County (Valle Crucis and Foscoe-Grandfather) must be represented on the Board; traditionally an attempt has been made to appoint representatives of watershed protection areas as well. The seat is an at-large representative, though Ms. Nicholson also resided in one of the watershed protection areas. The other members represent Valle Crucis, Foscoe-Grandfather, Howards Creek watershed, and Middle Fork watershed. The term is for three (3) years.

A volunteer application has been received by Mr. David Hill who is interested in serving. This is a second reading and, therefore, action may be taken, if so desired.

**Town of Boone Board of Adjustment**

The Town of Boone recommends that Mr. Clinton Coffey be appointed as an Extra Territorial Jurisdiction (ETJ) representative on the Boone Board of Adjustment for a three-year term. This is a second reading and, therefore, action may be taken, if so desired.

**Watauga Medical Center Board of Trustees**

The Watauga Medical Center Board of Trustees has recommended Mr. Sam Adams, Ms. Susan Roggenkamp, and Mr. Kenneth Wilcox for reappointment as Board Trustees. Each of their terms would be effective January 1, 2014, through December 31, 2016. This is a second reading and, therefore, action may be taken, if so desired.

**Watauga County Nursing Home Community Advisory Committee**

Ms. Julie Wiggins, Regional Ombudsman with High Country Council of Governments' Area Agency on Aging, requests that Ms. Wanda Branch be reappointed to the Watauga County Nursing Home Community Advisory Committee for a three-year term. This is a second reading and, therefore, action may be taken, if so desired.

**Watauga County Nursing Home Community Advisory Committee (cont.)**

Ms. Julie Wiggins, Regional Ombudsman with High Country Council of Governments' Area Agency on Aging, requests that both Ms. Karen Robertson and Dr. Larry Keeter be reappointed to the Watauga County Nursing Home Community Advisory Committee to fill vacancies that will exist as of March 1. These are first readings and, therefore, no action is required at this time.

**Watauga County Adult Care Home Community Advisory Committee**

Ms. Julie Wiggins, Regional Ombudsman with High Country Council of Governments' Area Agency on Aging, requests that Mr. Harold Eller be reappointed to the Watauga County Adult Care Home Community Advisory Committee for a one-year term. This is a first reading and, therefore, no action is required at this time.

**AppalCART**

AppalCART has recommended the appointment of Mr. Quint David as the Boone Town Council representative to the AppalCART Board. Mr. David's appointment would coincide with his term as a Boone Council Member. This is a first reading and, therefore, no action is required at this time.

**Watauga County Planning Board**

Mr. Ric Mattar's term on the Watauga County Planning Board expired December 2013, and he is willing to continue serving if so appointed. This is a first reading, however, staff is recommending the Board waive the policy and appoint Mr. Mattar as he is the current Chairman of the Planning Board.

**Anita.Fogle**

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**From:** Kim Brown <Kim.Brown@townofboone.net>  
**Sent:** Wednesday, December 18, 2013 3:32 PM  
**To:** Anita.Fogle  
**Cc:** Stephen Poulos  
**Subject:** Watauga County Recreation Commission nominations  
**Attachments:** WRC nominations.pdf

Anita: At the December 17, 2013 regular meeting, the Boone Town Council nominated Mr. Greg Dobbins and Mr. Joseph Robinson to serve on the Watauga County Recreation Commission. I have attached both applications for your information. This should complete the Town's required nominations for this commission. If you have any questions, please give me a call.

Have a great afternoon!  
Kim

Kimberly S. Brown, CMC  
Town Clerk  
Boone Town Hall  
PO Drawer 192  
Boone, NC 28607  
(828)268-6200/(828)268-6208 fax  
[www.townofboone.net](http://www.townofboone.net)  
[kim.brown@townofboone.net](mailto:kim.brown@townofboone.net)

*Email correspondence to and from this address is subject to public records requests pursuant to the North Carolina Public Records Law, resulting in monitoring and potential disclosure of this message to third parties.*

APPLICATION FOR APPOINTMENT TO A BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE TOWN OF BOONE

FULL NAME: GREG DOBBINS
Title First Middle Initial Last
(Mr./Ms./Ms./Dr., etc.)

GENDER: Male

HOME ADDRESS: 886 Hunting Hills Ln Boone, NC 28607

PREFERRED CONTACT ADDRESS (if different from home address): SAME AS ABOVE

EMAIL ADDRESS: jdobbins7053@yahoo.com

TELEPHONE: day: 828.260.4314 ; evening 828.260.4314

JURISDICTION OF RESIDENCE: [X] Town of Boone [ ] Extra Territorial Jurisdiction (ETJ) [ ] Watauga County outside Town and ETJ [ ] Other (please identify):

HOW LONG HAVE YOU BEEN A RESIDENT OF THE ABOVE JURISDICTION: 2 yrs

DO YOU OWN REAL PROPERTY (land) IN THE TOWN OF BOONE: NO

DO YOU OWN REAL PROPERTY IN THE ETJ: NO

NAME OF BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE APPOINTMENT SOUGHT (list one only): Watauga County Parks & Recreation Commission

WHY DO YOU WISH TO OBTAIN THIS APPOINTMENT? I FEEL IT IS IMPORTANT TO CONTINUE THE PROGRESS MADE IN ENCOURAGING HEALTHY ACTIVITIES AND IN HEALTHY, COMPETATIVE WAYS TO FURTHER THE GROWTH PHYSICALLY & EMOTIONALLY IN OUR COMMUNITY.

ARE YOU FAMILIAR WITH THE TOWN'S 2006 COMPREHENSIVE PLAN? (It can be accessed at http://www.townofboone.net/departments/development/pdfs/Comp.pdf ):

RATE YOUR SUPPORT FOR THE 2006 COMPREHENSIVE PLAN (with "1" signifying no support and "10" signifying great support):

1 2 3 4 5 6 7 8 9 10

PLEASE EXPLAIN YOUR LEVEL OF SUPPORT FOR THE COMPREHENSIVE PLAN: I FULLY SUPPORT AND APPRECIATE THE WAY THE PLAN TAKES MANY THINGS INTO CONSIDERATION SUCH AS ECONOMIC DEVELOPMENT WITHOUT SACRIFICING OPEN SPACES & QUALITY OF THE ENVIRONMENT.



WHAT SKILLS, EDUCATION, TRAINING, EXPERIENCE OR AREA(S) OF EXPERTISE WOULD YOU BRING TO THIS APPOINTMENT? I HAVE WORKED WITH INNER CITY & AT RISK YOUTHS & FAMILIES FOR MANY YEARS & HAVE SEEN FIRST HAND THE NUMEROUS POSITIVE AFFECTS OF AN OVERALL HEALTHY LIFESTYLE

HAVE YOU HAD ISSUES WITH THE TOWN OF BOONE WHICH RELATE TO THE WORK OF THE BODY TO WHICH YOU SEEK APPOINTMENT? IF YES, PLEASE EXPLAIN: NO

DO YOU HAVE ANY KNOWN OR POTENTIAL CONFLICTS OF INTEREST (INCLUDING MEMBERSHIP IN ANY ORGANIZATION, YOUR EMPLOYMENT, AND THE MEMBERSHIPS AND EMPLOYMENT OF ANY FAMILY MEMBER) THAT MIGHT ARISE IF YOU ARE APPOINTED? IF YES, PLEASE EXPLAIN: NONE

HAVE YOU EVER BEFORE SERVED ON ANY TOWN BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE. IF SO, PLEASE STATE THE NAME OF THE BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE, AND THE APPROXIMATE DATES OF SERVICE: NO

IF YOU HAVE PREVIOUSLY SERVED ON A TOWN BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE, PLEASE EXPLAIN THE QUALITY OF YOUR EXPERIENCE: NO

I hereby certify that the foregoing answers are true, and that should I be appointed to the board, commission, task force, advisory body or committee, and should a conflict of interest exist or develop with regard to a specific matter, I will disclose the conflict of interest and recuse myself from the deliberations and action involved. Conflicts of interest include, but are not limited to: a direct or indirect financial interest by myself or a member of my family, and other interest which impairs my ability to participate fairly in the deliberations and actions in question.

R. G. Debb  
Signature

10.16.13  
Date

APPLICATION FOR APPOINTMENT TO A BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE TOWN OF BOONE

FULL NAME: Mr. JOSEPH B ROBINSON III
Title First Middle Initial Last
(Mr./Ms./Ms./Dr., etc.)

GENDER: M

HOME ADDRESS: 243 CHERRY DRIVE
BOONE, N.C. 28607

PREFERRED CONTACT ADDRESS (if different from home address):

EMAIL ADDRESS: Joe.robinson2@bellsouth.net
TELEPHONE: day: 888-964-3493; evening SAME

JURISDICTION OF RESIDENCE: [checked] Town of Boone
Extra Territorial Jurisdiction (ETJ)
Watauga County outside Town and ETJ
Other (please identify):

HOW LONG HAVE YOU BEEN A RESIDENT OF THE ABOVE JURISDICTION: 24 years

DO YOU OWN REAL PROPERTY (land) IN THE TOWN OF BOONE: YES

DO YOU OWN REAL PROPERTY IN THE ETJ:

NAME OF BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE APPOINTMENT SOUGHT (list one only):
W.P.O.P. RECREATION COMMISSION

WHY DO YOU WISH TO OBTAIN THIS APPOINTMENT?
HAVE BEEN ON THE COMM. BEFORE & REALLY SUPPORT THE W.P.O.P. & WANT TO BE INVOLVED.

ARE YOU FAMILIAR WITH THE TOWN'S 2006 COMPREHENSIVE PLAN? (It can be accessed at http://www.townofboone.net/departments/development/pdfs/Comp.pdf ):

RATE YOUR SUPPORT FOR THE 2006 COMPREHENSIVE PLAN (with "1" signifying no support and "10" signifying great support):

- 1 2 3 4 5 6 7 8 9 10

PLEASE EXPLAIN YOUR LEVEL OF SUPPORT FOR THE COMPREHENSIVE PLAN:

WHAT SKILLS, EDUCATION, TRAINING, EXPERIENCE OR AREA(S) OF EXPERTISE WOULD YOU BRING TO THIS APPOINTMENT?

WAS CHAIRPERSON FOR 9 YEARS AND WAS ON COMM. FOR APPROXIMATELY 10 YEARS.

HAVE YOU HAD ISSUES WITH THE TOWN OF BOONE WHICH RELATE TO THE WORK OF THE BODY TO WHICH YOU SEEK APPOINTMENT? IF YES, PLEASE EXPLAIN:

\_\_\_\_\_  
\_\_\_\_\_

DO YOU HAVE ANY KNOWN OR POTENTIAL CONFLICTS OF INTEREST (INCLUDING MEMBERSHIP IN ANY ORGANIZATION, YOUR EMPLOYMENT, AND THE MEMBERSHIPS AND EMPLOYMENT OF ANY FAMILY MEMBER) THAT MIGHT ARISE IF YOU ARE APPOINTED? IF YES, PLEASE EXPLAIN:

\_\_\_\_\_  
\_\_\_\_\_

HAVE YOU EVER BEFORE SERVED ON ANY TOWN BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE. IF SO, PLEASE STATE THE NAME OF THE BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE, AND THE APPROXIMATE DATES OF SERVICE: SEE ABOVE

\_\_\_\_\_  
\_\_\_\_\_

IF YOU HAVE PREVIOUSLY SERVED ON A TOWN BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE, PLEASE EXPLAIN THE QUALITY OF YOUR EXPERIENCE: SEE ABOVE

\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that the foregoing answers are true, and that should I be appointed to the board, commission, task force, advisory body or committee, and should a conflict of interest exist or develop with regard to a specific matter, I will disclose the conflict of interest and recuse myself from the deliberations and action involved. Conflicts of interest include, but are not limited to: a direct or indirect financial interest by myself or a member of my family, and other interest which impairs my ability to participate fairly in the deliberations and actions in question.

  
Signature

12-16-2013  
Date

### Volunteer Application Watauga County Boards And Commissions

If you are a Watauga County resident, at least 18 years old, and willing to volunteer your time and expertise to your community, please complete the application below and click on Print Form.  
Please sign and mail or fax to:

*Watauga County Commissioners' Office  
814 West King Street, Suite 205  
Boone, NC 28607  
Phone: (828) 265-8000  
Fax: (828) 264-3230*

Name: David A. Hill

Home Address: 191 Hill Rd

City: Zionville Zip: 28698

Telephone: (H) 828-297-6267 (W) 828-265-7625 (Fax) 828-265-7617

Email: dhill191@gmail.com

Place of Employment: Communications Center for Watauga County

Job Title: Emergency Medical Dispatcher

In Order To Assure County wide Representation Please Indicate Your Township Of Residence:

- |                                     |                                    |   |
|-------------------------------------|------------------------------------|---|
| <input type="radio"/> Bald Mountain | <input type="radio"/> Stony Fork   | <input type="radio"/> Watauga               |
| <input type="radio"/> New River     | <input type="radio"/> Brushy Fork  | <input checked="" type="radio"/> Cove Creek |
| <input type="radio"/> Beaver Dam    | <input type="radio"/> Meat Camp    | <input type="radio"/> Shawneehaw            |
| <input type="radio"/> Blue Ridge    | <input type="radio"/> Blowing Rock | <input type="radio"/> Laurel Creek          |
| <input type="radio"/> Elk           | <input type="radio"/> North Fork   | <input type="radio"/> Boone                 |

In addition, Please Indicate If You Live In One Of The Following Areas:

- |  |  |
|--|--|
| <input type="radio"/> Foscoe-Grandfather Community   | <input type="radio"/> Valle Crucis Historic District |
| <input type="radio"/> Howards Creek Watershed        | <input type="radio"/> Winklers Creek Watershed       |
| <input type="radio"/> South Fork New River Watershed | <input type="radio"/> Extraterritorial Area          |

We Ask Your Help In Assuring Diversity Of Membership By Age, Gender, And Race, By Answering The Following Questions

- |                                       |  |
|---------------------------------------|--|
| Gender                                | Ethnic Background                          |
| <input checked="" type="radio"/> Male | <input type="radio"/> African American     |
| <input type="radio"/> Female          | <input checked="" type="radio"/> Caucasian |
|                                       | <input type="radio"/> Hispanic             |
|                                       | <input type="radio"/> Other                |
|                                       | <input type="radio"/> Native American      |

Please List (In Order Of Preference) The Boards/Commissions On Which You Would Be Willing To Serve.

1.
2.
3.

Volunteer Application  
Watauga County Boards And Commissions  
(Continued)

Please list any work, volunteer, and/or other experience you would like to have considered in the review of your application.

Work  
Experience:

I retired from the military after 22 years of service and have worked in Public Safety for 15 years since leaving the military. I have a degree in Community and Regional Planning from ASU (2005) and should have nothing to interfere with serving on a board or multiple boards. I care about the county and how we can best manage and plan it's growth.

Volunteer  
Experience:

Time does not let me volunteer much

Other  
Experience:

Other  
Comments:

Thank you for consideration of my application

Signature:



Date:

1/6/14

APPLICATION FOR APPOINTMENT TO A BOARD, COMMISSION, TASK FORCE,  
ADVISORY BODY OR COMMITTEE  
TOWN OF BOONE

FULL NAME: Mr. Clinton G Coffey  
Title First Middle Initial Last  
(Mr./Ms./Ms./Dr., etc.)

GENDER: M

HOME ADDRESS: 499 Oak Grove Rd

PREFERRED CONTACT ADDRESS (if different from home address):  
\_\_\_\_\_

EMAIL ADDRESS: clintcoffey@gmail.com  
TELEPHONE: day: 828.493.0607; evening ←

JURISDICTION OF RESIDENCE:  Town of Boone  
 Extra Territorial Jurisdiction (ETJ)  
 Watauga County outside Town and ETJ  
 Other (please identify): \_\_\_\_\_

HOW LONG HAVE YOU BEEN A RESIDENT OF THE ABOVE JURISDICTION: 2 yr

DO YOU OWN REAL PROPERTY (land) IN THE TOWN OF BOONE: N

DO YOU OWN REAL PROPERTY IN THE ETJ: Y

NAME OF BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE  
APPOINTMENT SOUGHT (list one only): Board of Adjustment

WHY DO YOU WISH TO OBTAIN THIS APPOINTMENT?  
To have a voice in the development of our town

ARE YOU FAMILIAR WITH THE TOWN'S 2006 COMPREHENSIVE PLAN? (It can be  
accessed at <http://www.townofboone.net/departments/development/pdfs/Comp.pdf>):  
Yes

RATE YOUR SUPPORT FOR THE 2006 COMPREHENSIVE PLAN (with "1" signifying no  
support and "10" signifying great support):

1 2 3 4 5 6 7 (8) 9 10

PLEASE EXPLAIN YOUR LEVEL OF SUPPORT FOR THE COMPREHENSIVE PLAN:  
I feel this plan is a great foundation for committee and council  
decision making.

WHAT SKILLS, EDUCATION, TRAINING, EXPERIENCE OR AREA(S) OF EXPERTISE WOULD YOU BRING TO THIS APPOINTMENT?

Genuine concern for the wellbeing of our community

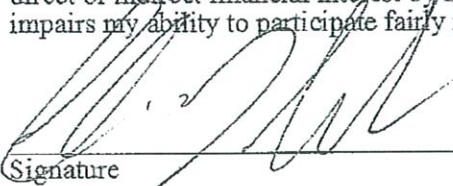
HAVE YOU HAD ISSUES WITH THE TOWN OF BOONE WHICH RELATE TO THE WORK OF THE BODY TO WHICH YOU SEEK APPOINTMENT? IF YES, PLEASE EXPLAIN: N

DO YOU HAVE ANY KNOWN OR POTENTIAL CONFLICTS OF INTEREST (INCLUDING MEMBERSHIP IN ANY ORGANIZATION, YOUR EMPLOYMENT, AND THE MEMBERSHIPS AND EMPLOYMENT OF ANY FAMILY MEMBER) THAT MIGHT ARISE IF YOU ARE APPOINTED? IF YES, PLEASE EXPLAIN: N

HAVE YOU EVER BEFORE SERVED ON ANY TOWN BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE. IF SO, PLEASE STATE THE NAME OF THE BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE, AND THE APPROXIMATE DATES OF SERVICE: N

IF YOU HAVE PREVIOUSLY SERVED ON A TOWN BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE, PLEASE EXPLAIN THE QUALITY OF YOUR EXPERIENCE: N/A

I hereby certify that the foregoing answers are true, and that should I be appointed to the board, commission, task force, advisory body or committee, and should a conflict of interest exist or develop with regard to a specific matter, I will disclose the conflict of interest and recuse myself from the deliberations and action involved. Conflicts of interest include, but are not limited to: a direct or indirect financial interest by myself or a member of my family, and other interest which impairs my ability to participate fairly in the deliberations and actions in question.

  
Signature

12-11-13  
Date



Richard G. Sparks, FACHE  
President

December 18, 2013



Mr. Deron Geoque  
Watauga County Manager  
814 West King Street, Suite 205  
Boone, NC 28607

Dear Deron:

The Watauga Medical Center, Inc. Board of Trustees at their December 5, 2013 meeting unanimously voted to recommend the following for reappointment to the Board of Trustees:

Mr. Sam Adams  
Ms. Susan Roggenkamp  
Mr. Kenneth Wilcox

The terms of service would be for three years beginning January 1, 2014 and ending December 31, 2016.

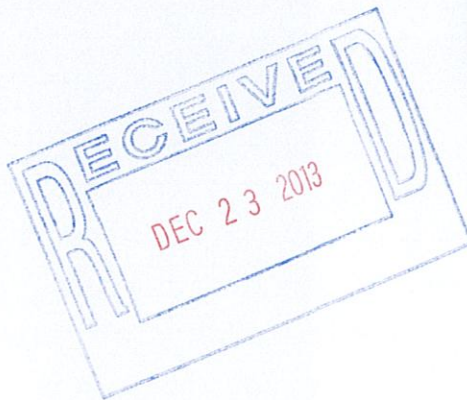
Thank you for your assistance with this process. Should you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Richard Sparks".

Richard Sparks





Robert L. Johnson  
Chairman of the Board

Gary D. Blevins  
Vice Chairman

Brenda Lyerly  
Secretary

Danny McIntosh  
Treasurer

Rick Herndon  
Executive Director

December 19, 2013

Ms. Anita Fogle  
Clerk to the Board  
814 West King Street  
Boone, North Carolina 28607

Dear Ms. Fogle,

The term of appointment of Ms. Wanda Branch to the Watauga County Nursing Home Community Advisory Committee will expire February 1, 2014. She has indicated her desire to be reappointed for an additional three-year term.

Please submit Ms. Branch's name to the Commissioners for their consideration and let me know their decision at your earliest convenience. The request for reappointment is attached.

Sincerely,

Julie Wiggins  
Regional Ombudsman

Enclosure

468 New Market Blvd.  
Boone, NC 28607

Phone: 828-265-5434  
Fax: 828-265-5439  
TTY: 1-800-735-2962  
Voice: 1-800-735-8262

Web: [www.regiond.org](http://www.regiond.org)

LONG TERM CARE  
COMMUNITY ADVISORY COMMITTEE

Nominee Background Information

Name Wanda Branch

Home Address 614 Poplar Hill Dr. Phone(H) 828 264 2360  
Boone, N.C Zip Code 28607

Business Address \_\_\_\_\_ Phone (W) \_\_\_\_\_  
Zip Code \_\_\_\_\_

Email Address PandwBranch@charter.net

Occupation retired -

Number of hours available per month for this position as many as necessary

Education RN, MA, BS

Business and civic experience and skills past RN, Nursing Instructor CCE+TE, Hospice Director (15yrs) Assistant  
Appalachian Dist. Health Dept. (10yrs)

Areas of expertise and interest/skills working pt in Nursing Home,  
working with children in church

THE FOLLOWING PERSONS ARE EXCLUDED BY LEGISLATION FROM SERVING ON THE COMMITTEE:

1. Persons or immediate family member of persons with a financial interest in a home served by a committee.
2. An employee or governing board member or immediate family member of an employee or governing board member of a home served by a committee. (A person paid by a home as a consultant is considered an employee).
3. The immediate family member of a patient in a home served by a committee. An "immediate family member" is defined as mother, father, sister, brother, spouse, child, grandmother, grandfather, and in-laws for the above.

I CERTIFY THAT NONE OF THE EXCLUSIONS LISTED ABOVE APPLY TO ME. I UNDERSTAND THAT I MUST NOTIFY THE OMBUDSMAN IMMEDIATELY IF MY SITUATION CHANGES WITH RESPECT TO THE ABOVE EXCLUSIONS.

Wanda Branch Date 12/14/13  
Signature of Applicant

Nomination form submitted by Julie Wiggins, Ombudsman  
Name



Robert L. Johnson  
*Chairman of the Board*

Gary D. Blevins  
*Vice-Chairman*

Brenda Lyerly  
*Secretary*

Danny McIntosh  
*Treasurer*

Rick Herndon  
*Executive Director*

January 28, 2014

Ms. Anita Fogle  
Clerk to the Board  
814 West King Street  
Boone, North Carolina 28607

Dear Ms. Fogle:

Ms. Karen Robertson and Dr. Larry Keeter have indicated their willingness to be appointed for one-year terms to the Watauga County Nursing Home Community Advisory Committee. As of March 1, two vacancies will exist on the committee. I have enclosed an updated committee roster for your information.

Please submit Ms. Robertson and Dr. Keeter's names to the Commissioners for their consideration and let me know their decision at your earliest convenience. Ms. Robertson and Dr. Keeter's nomination forms are enclosed. If you have any questions or concerns, please do not hesitate to contact me. Thank you for your attention to this matter.

Sincerely,

Julie Wiggins  
Regional Ombudsman

Enclosures

468 New Market Blvd.  
Boone, NC 28607

Phone: 828-265-5434  
Fax: 828-265-5439  
TTY: 1-800-735-2962  
Voice: 1-800-735-8262

Web: [www.regiond.org](http://www.regiond.org)

NOMINATION FORM

LONG TERM CARE  
COMMUNITY ADVISORY COMMITTEE

Nominee Background Information

Name LARRY KEETER

Home Address 456 TRACY CIRCLE Phone(H) 828 264-4027

Boone, NC Zip Code 28607

Business Address Retired Phone (W) \_\_\_\_\_

Zip Code \_\_\_\_\_

Email Address Keeter LG@appstate.edu

Occupation PROFESSOR EMERITUS, ASU.

Number of hours available per month for this position as needed

Education BEREA COLLEGE (B.A.), Columbia University (M.A.),

HARVARD UNIVERSITY (M.Div., Th.M.), BOSTON UNIVERSITY (Ph.D.)  
Business and civic experience and skills \_\_\_\_\_

Boone Town Council (4 yrs.), Mayor of Boone (4 yrs.),  
Regional COG (8 yrs.),  
Areas of expertise and interest/skills Sociology professor (43 yrs.).

communication, education, awareness of issues  
concerning elderly in community and institutions.

THE FOLLOWING PERSONS ARE EXCLUDED BY LEGISLATION FROM SERVING ON THE COMMITTEE:

1. Persons or immediate family member of persons with a financial interest in a home served by a committee.
2. An employee or governing board member or immediate family member of an employee or governing board member of a home served by a committee. (A person paid by a home as a consultant is considered an employee).
3. The immediate family member of a patient in a home served by a committee. An "immediate family member" is defined as mother, father, sister, brother, spouse, child, grandmother, grandfather, and in-laws for the above.

I CERTIFY THAT NONE OF THE EXCLUSIONS LISTED ABOVE APPLY TO ME. I UNDERSTAND THAT I MUST NOTIFY THE OMBUDSMAN IMMEDIATELY IF MY SITUATION CHANGES WITH RESPECT TO THE ABOVE EXCLUSIONS.

Larry Keeter Date 12-9-'13  
Signature of Applicant

Nomination form submitted by: John Wiggins, Ombudsman

NOMINATION FORM

LONG TERM CARE  
COMMUNITY ADVISORY COMMITTEE

Nominee Background Information

Name KAREN S. ROBERTSON

Home Address 213 MIDVALLEY RD. Phone(H) 828-262-0671

BLOWING ROCK, NC Zip Code 28605

Business Address \_\_\_\_\_ Phone (W) \_\_\_\_\_

Zip Code \_\_\_\_\_

Email Address imhanak@bellsouth.net

Occupation RETIRED

Number of hours available per month for this position AS MUCH AS NECESSARY

Education GRADUATE DEGREE RADFORD UNIVERSITY - M.S. IN  
COUNSELING AND HUMAN DEVELOPMENT

Business and civic experience and skills SCHOOL COUNSELOR (23 1/2 YRS.) DIRECTOR OF STUDENT  
SERVICES (2 YRS.) FOR WATAUGA COUNTY SCHOOLS; WATAUGA CO. RESPIRE  
VOLUNTEER; BOONE UNITED METHODIST CHURCH

Areas of expertise and interest/skills COUNSELING, ADMINISTRATION, CARE-  
HOSPITAL VISITATION &  
GIVING (STEPHEN MINISTER - BOONE UNITED METHODIST) PASSION FOR THE  
ELDERLY

THE FOLLOWING PERSONS ARE EXCLUDED BY LEGISLATION FROM SERVING ON THE COMMITTEE:

1. Persons or immediate family member of persons with a financial interest in a home served by a committee.
2. An employee or governing board member or immediate family member of an employee or governing board member of a home served by a committee. (A person paid by a home as a consultant is considered an employee).
3. The immediate family member of a patient in a home served by a committee. An "immediate family member" is defined as mother, father, sister, brother, spouse, child, grandmother, grandfather, and in-laws for the above.

I CERTIFY THAT NONE OF THE EXCLUSIONS LISTED ABOVE APPLY TO ME. I UNDERSTAND THAT I MUST NOTIFY THE OMBUDSMAN IMMEDIATELY IF MY SITUATION CHANGES WITH RESPECT TO THE ABOVE EXCLUSIONS.

Karen S. Robertson Date 1/22/2014  
Signature of Applicant

Nomination form submitted by: Julia Wagon, Ombudsman

# Watauga County Long-Term Care Advisory Board

Herb Hash 140 Kings Ridge Boone, NC 28607 (828) 297-7309	Wanda Branch 614 Poplar Hill Dr. Boone, NC 28607 (828) 264-2360
	Fred Badders 154 Fairview Drive Boone, NC 28607 (828) 264-7677

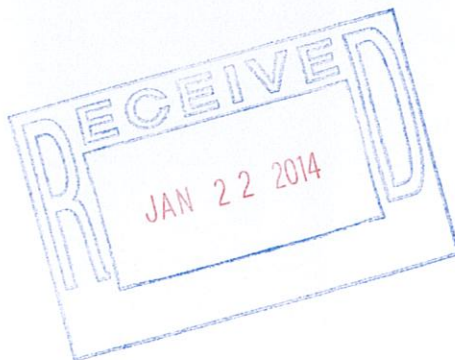
## **Resident Advocate:**

**Julie Wiggins, Ombudsman**  
High Country Area Agency on Aging  
828-265-5434 ext. 126  
866-219-3643 (toll free)

## **Regulatory Agencies:**

Watauga County Department of Social Services  
Adult Care Home Specialist 828-265-8100

Division of Health Service Regulation: 800-624-3004



January 17, 2014

Ms. Anita Fogle  
Clerk to the Board  
814 West King Street  
Boone, North Carolina 28607

**Robert L. Johnson**  
*Chairman of the Board*

**Gary D. Blevins**  
*Vice Chairman*

**Brenda Lyerly**  
*Secretary*

**Danny McIntosh**  
*Treasurer*

**Rick Herndon**  
*Executive Director*

Dear Ms. Fogle,

Mr. Harold Eller has indicated his willingness to be appointed for a one-year term to the Watauga County Adult Care Home Community Advisory Committee. Currently, one vacancy exists on the committee, as Mr. Gene Vandiford has decided to resign. I have enclosed an updated committee roster for your information.

Please submit Mr. Eller's name to the Commissioners for their consideration and let me know their decision at your earliest convenience. Mr. Eller's nomination form is enclosed. If you have any questions or concerns, please do not hesitate to contact me. Thank you for your attention to this matter.

Sincerely,

Julie Wiggins  
Regional Ombudsman

Enclosures

468 New Market Blvd.  
Boone, NC 28607

Phone: 828-265-5434  
Fax: 828-265-5439  
TTY: 1-800-735-2962  
Voice: 1-800-735-8262

Web: [www.regiond.org](http://www.regiond.org)

NOMINATION FORM

LONG TERM CARE  
COMMUNITY ADVISORY COMMITTEE

Nominee Background Information

Name J. HAROLD ELLER

Home Address 924 OLD HWY 4215 Phone(H) 828-262-5758

BOONE, N.C Zip Code 28607

Business Address N/A Phone (W) \_\_\_\_\_

Zip Code \_\_\_\_\_

Email Address N/A

Occupation RETIRED

Number of hours available per month for this position 8+, FLEXIBLE

Education B.S. DEGREE BUSINESS & ECONOMICS

Business and civic experience and skills BANKING & MANAGEMENT, REAL ESTATE SALES  
& APPRAISALS, SENIOR COMPANION ADVISORY BOARD, RUFITHN, BOONE JAYCEES

Areas of expertise and interest/skills INTERESTS ARE READING, HISTORY, SKILLS  
WOULD BE IN THE SALES FIELD, AND INTERESTS IN HEALTH CARE  
FIELD

THE FOLLOWING PERSONS ARE EXCLUDED BY LEGISLATION FROM SERVING ON THE COMMITTEE:

1. Persons or immediate family member of persons with a financial interest in a home served by a committee.
2. An employee or governing board member or immediate family member of an employee or governing board member of a home served by a committee. (A person paid by a home as a consultant is considered an employee).
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I CERTIFY THAT NONE OF THE EXCLUSIONS LISTED ABOVE APPLY TO ME. I UNDERSTAND THAT I MUST NOTIFY THE OMBUDSMAN IMMEDIATELY IF MY SITUATION CHANGES WITH RESPECT TO THE ABOVE EXCLUSIONS.

J Harold Eller Date 1-3-14  
Signature of Applicant

Nomination form submitted by Jules Higgins, Ombudsman  
Name



# Watauga County Adult Care Home Advisory Board

Angie Greene 795 Greenway Drive Boone, NC 28607 (828) 264-8021	Glenda Hodges 810 Parkcrest Dr. Boone, NC 28607 (828) 264-8529
Evelina Idol, <i>Chairman</i> 212 Whispering Pines Boone, NC 28607 (828) 264-2042	Pat Taylor 163 Shadowline Drive Boone, NC 28607 (828) 264-4193

## **Resident Advocate:**

**Julie Wiggins, Ombudsman**  
High Country Area Agency on Aging  
828-265-5434 ext. 126  
866-219-3643 (toll free)

## **Regulatory Agencies:**

Watauga County Department of Social Services  
Adult Care Home Specialist 828-265-8100

Division of Health Service Regulation: 800-624-3004

**Anita.Fogle**

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**From:** info@appalcart.com  
**Sent:** Monday, January 27, 2014 5:43 PM  
**To:** Anita.Fogle  
**Subject:** AppalCART Board

Hi Anita,

Mayor Andy Ball appointed new Boone-Town Councilmember, Quint David, to the AppalCART Board. Andy Ball off our Board and Quint David replacing. Let me know when it's official.

Thx, Joanna

**Anita.Fogle**

---

**From:** Joe Furman  
**Sent:** Wednesday, January 29, 2014 11:36 AM  
**To:** Deron.Geouque  
**Cc:** Anita.Fogle; mattarre@appstate.edu  
**Subject:** Planning Board term

Deron,

I have just realized that Ric Mattar's term as an at-large member expired this past December. He had been re-appointed in January, 2010 to the 4-year at-large term, but I entered in my records incorrectly as expiring in December, 2014 (2010 plus 4 years = 2014). All terms expire in December. I just realized my error in not accounting for the appointment being retroactive. Mr. Mattar is a long-time Board member as is currently serving as Chairman. He would like to be reappointed. I request that this be placed on the Commissioners' February 4<sup>th</sup> meeting agenda, and that the second reading be waived. Thank you.

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](mailto:joe.furman@watgov.org)

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**AGENDA ITEM 10:**

**MISCELLANEOUS ADMINISTRATIVE MATTERS**

*E. Announcements*

**AGENDA ITEM 11:**

**PUBLIC COMMENT**

**AGENDA ITEM 12:**

**BREAK**

**AGENDA ITEM 13:**

**CLOSED SESSION**

Attorney/Client Matters – G. S. 143-318.11(a)(3)

Land Acquisition – G. S. 143-318.11(a)(5)(i)