

**MINUTES OF A
WORK SESSION
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
MAY 20, 2013**

The Jackson County Board of Commissioners met in a Work Session on May 20, 2013, 2:00 p.m., Justice & Administration Building, 401 Grindstaff Cove Rd., Room A227, Sylva, North Carolina.

Present: Jack Debnam, Chairman
Doug Cody, Vice Chair
Charles Elders, Commissioner
Mark Jones, Commissioner
Vicki Greene, Commissioner

Chuck Wooten, County Manager
Pat Parris, Clerk to Board

Chairman Debnam called the work session to order.

(1) FY13-14 BUDGET OVERVIEW: Mr. Wooten stated the proposed budget is balanced and maintains the tax rate of \$0.28 per \$100 valuation. Improvement continues within the tax base and the County actually had about \$72.7 million in growth and improvements in the tax collection rate.

The budget proposes a 2%, across the board salary increase for county employees which is the first increase for all county employees since 2008-2009. A few positions were identified for classification corrections, or acknowledge assignments of additional duties, to implement job reallocations and to reward promotion of approximately 12 employees. One area that will be reviewed is the IT Dept. There is the need for additional staff in that department but he is not prepared to make recommendations at this point, but funds have been set aside in a contingency line item which is equivalent to two new positions.

He proposed 4.5 new positions (3.5 are county funded and 1 is grant funded): an Economic Development Director, a clerical support position to be shared by the Economic Development Director and the Director of Human Resources with a possibility of clerical support for the Planning Department, a School Resource Officer, a grant funded Mobility Coordinator in the Transit Department (90% state funded), and a receptionist at the Aging Center. The Aging position will be established by combining existing part time salaries and new funds to create a full time position.

(2) COMPENSATION, BENEFITS and CLASSIFICATION REPORT: Danielle Wittekind, Human Resource Director, presented a report she prepared about compensation and benefits offered by Jackson County in comparison to neighboring counties. Overall, Jackson County is in a comfortable place of being able to recruit new staff as the benefits offered through county employment are richer in comparison with other private and non-profit sector jobs. She recommended that 12 positions be reclassified.

(3) **REVENUES**: Darlene Fox, Finance Director, stated the proposed budget is based on an \$11,046,991,536 property tax base, with an increase of \$88,395,000 for new construction. Last year's new construction was \$45 million. Based on the collection rate, an additional \$475,000 will be generated for next year.

Tax Collection Rate: Counties can only base revenues on the previous year's collection rate. The rate increased from 95.29% to 95.99% which generates an additional \$218,254.

Vehicle Tax: The amount for prior year motor vehicle taxes was decreased \$25,000. The collection rate has been dropped to 95% due to House Bill 1779 being delayed for two months. In addition, new car sales have declined. The values are what the values actually were on December 31st on the TR1 report that is filed with the state.

Sales Tax: Collections continue to show improvement as the budget reflects an increase of \$495,209 over the FY12-13 budget.

Medicaid Hold Harmless: Based on the projections from the state, the County will receive \$111,688 in addition to the \$500,000 hold harmless guarantee.

(4) **CONTINGENCY and CAPITAL PROJECTS**: All departmental capital requests have been consolidated into a single line item under the contingency section. The actual allocation of these funds will be delayed until the audit report has been completed and the June 30, 2013 fund balance has been calculated. This will allow maintaining the fund balance and to continue discussing a fund balance policy. At the same time, in the event a department has an emergency need before the audit is completed, then those requests can be handled on a case by case basis. The budget also includes a \$500,000 transfer into the capital reserve fund for future capital construction or renovation projects.

(5) **DEPARTMENTAL BUDGET REQUESTS**: Overall, departmental expenditures have been maintained at or very close to the current budget level. Minimal adjustments were required in a few departments to reallocate software maintenance costs that were previously included in the 911 operations budget.

The Health Dept. budget is 10% less than the current year, most of which is contributed to programs that are no longer funded from the state level and have been removed.

The Social Services Dept. budget reflects about a 5% increase. A large portion of the increase is associated with social services activities provided to the Tribe. Jackson and Swain County currently provide social services for the Cherokees. Discussions are in the planning stage for the Tribe to assume the responsibility for social services.

(6) **PUBLIC SCHOOLS**:

Operating expenses.....	\$ 6,779,482
Capital outlay.....	\$ 235,000
Technology.....	\$ 250,000
School Resource Officer	\$ 84,378

The proposed budget reflects funding as requested plus one school resource officer. It is anticipated the School Board will utilize the funds for a school resource officer at Smoky Mountain Elementary School. The County will continue to explore external funding opportunities for SROs at the remaining elementary schools and to gather additional data concerning the effectiveness of SROs at elementary schools.

Consensus: Budget as proposed.

(7) **SOUTHWESTERN COMMUNITY COLLEGE:**

Operating expenses	\$ 1,606,460
Capital outlay.....	\$ 151,817
Other capital outlay.....	\$ 577,055

The recommended proposal is a 2% increase in operating support and funds for capital needs as requested including the second year of the campus improvement plan. When combined with increases from the past two years, a cumulative increase of 16.06% has been allocated to SCC for operations.

Consensus: *Budget as proposed.*

(8) **FIRE DEPTS., RESCUE SQUADS, AMBULANCE PROVIDERS:**

(a) **Fire Depts.:** An increase is not included for fire departments; however, discussions will continue about the possibility/feasibility of a fire protection tax. The budget as prepared will not support the building requests of the fire departments without an adjustment in the tax rate or a reallocation of proposed expenditures.

(b) **Ambulance Service:** Annual CPI increase of 2.1%.

WestCare Ambulance \$ 570,086

Cashiers Ambulance \$ 527,857

(c) **Rescue Squads:**

Glenville-Cashiers Rescue Squad..... \$ 86,350

Jackson County Rescue Squad \$ 101,350

(\$15,000 increase for the Jackson County Rescue Squad to recognize the substation at the Sylva Fire Department)

Consensus: *Budget as proposed. Todd Dillard to coordinate a meeting with all fire departments to discuss a future fire tax.*

(9) **FONTANA REGIONAL LIBRARY:** The amounts reflect a 2% increase in operating support.

Jackson County Library..... \$ 780,909

Albert Carlton Cashiers Library..... \$ 232,116

Reading Rover \$ 12,000

Additional discussions are needed to better understand the salary disparities between libraries within the Fontana system and the proposed salary plan that has been developed by the Fontana Library. The allocation to the Jackson County Library and Albert Carlton Library are not earmarked by line item; consequently, the Fontana Board can allocate these funds to address their highest priorities.

Consensus: *Budget as proposed.*

(10) **NON-PROFITS, OTHER EXTERNAL AGENCIES:** The majority were funded at the same level as FY12-13. Some of the exceptions are:

Airportreduce to \$ 31,000

Cashiers Chamber of Commerceincrease to \$ 12,500

Jackson Chamber of Commerceincrease to \$ 12,500

REACH of Macon County.....increase to \$ 50,000

Webster Enterprisesincrease to \$ 30,000

Arts Councilreduce to \$ 9,141

Funding is not included for new non-profit agencies. A thorough review of the success of each non-profit should take place and a policy developed to establish a maximum funding level for allocations to non-profits. The total for non-profits and external agencies is \$610,244.

Consensus: *Budget as proposed.*

(11) **DEBT SERVICE:** The outstanding debt balance as of June 30th will be \$35,354,098. \$10,000,000 was added for the SMH gym and performing arts center and lockers at Blue Ridge School. The debt service for the year will be \$5,744,556.

The county has the capacity or legal debt margin of \$877 million. Several issues will be paid off during the next 2-3 years. Loans for the Library, SCC, Fairview Kindergarten, Smoky Mountain High, and Cashiers Library have been modified.

(12) **CULLOWHEE BRIDGE - GREENWAYS:** Mr. Wooten stated that the bridge over the Tuckasee River in Cullowhee is scheduled for replacement by DOT in 2015. As a part of the project, the opportunity exists for DOT to include a design for a greenway that will actually pass under the bridge on both sides. If a greenway project has been funded DOT will, as part of the bridge project, go ahead and include it. The cost to accommodate pedestrian passages under the bridge will be approximately \$200,000 and the County may be requested for as much as 20% of the costs. He recommended that the County request DOT, as the bridge is being designed, to make provisions for the greenway. Apparently there have been discussions about it in the past when the overall greenway plan was being put together. There are no plans to construct the greenway within the next year or so, but DOT will probably not replace that bridge again for another 30 to 40 years.

Consensus: *Send a letter to DOT confirming the County's plans for a greenway at the Cullowhee Bridge site.*

(13) **OLD RESCUE SQUAD BLDG.:** Mr. Wooten stated that a possible tenant has made inquires about renting the old rescue squad building located at Mark Watson Park.

Consensus: *The Board is not interested in renting the property, prefers that it be placed on the market for sale.*

There being no further comments, Commissioner Cody moved to adjourn the Work Session. Commissioner Greene seconded the Motion and the Work Session adjourned at 4:50 p.m.

Patsy C. Parris, Clerk to Board

W. J. Debnam, Chairman

