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Time Posted: \_\_\_\_\_  
Posted By: Evelyn Baker  
Witnessed by: \_\_\_\_\_

**MINUTES OF A  
BUDGET WORK SESSION  
OF THE  
JACKSON COUNTY  
BOARD OF COMMISSIONERS  
HELD ON  
MARCH 30, 2009**

The Jackson County Board of Commissioners met in a Budget Work Session on March 30, 2009 at 6:00 pm, Room A227, Justice & Administration Building, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Brian T. McMahan, Chairman	Kenneth L. Westmoreland, County Manager
Tom Massie, Vice Chair	Darlene Fox, Finance Director
Joe Cowan, Commissioner	Evelyn B. Baker, Clerk to the Board
William Shelton, Commissioner	
Mark Jones, Commissioner	

Chairman McMahan called the meeting to order and stated it was a budget work session to discuss the FY09-10 budget.

Darlene Fox, Finance Director, gave a projected revenues and expenditures power point presentation addressing the following:

- (1) **PROPERTY VALUATION**: \$10.7 billion for 2009.
- (2) **PROPERTY TRANSFERS**: A decrease of 32% in property transfers from 2007–2008 and overall sales price values were down 11% for the same time period.
- (3) **REGISTER OF DEEDS REVENUES**: A decrease of 34.98% from 2007-2008.
- (4) **BUILDING PERMITS**: 1,637 in 2007; 1,289 in 2008.
- (5) **SEPTIC PERMITS**: 1,388 in 2007; 1,280 in 2008.
- (6) **PLANNING REVENUES**: Current year budget \$500,000 for subdivision review, \$44,205 was generated; \$50,000 for erosion control fees was budgeted and \$20,285 was generated.
- (7) **TAX COLLECTIONS**: Tax collection for 2008 was \$24,270,130, a collection rate of 96.33%. Using approximately the same collection rate, \$28,326,983 is budgeted for 2009.

**(8) EDUCATIONAL ALLOCATIONS:** Approximately \$6 million in current expenses not including capital outlay.

**(9) PROJECTION OF GENERAL FUND OBLIGATED DEBT SERVICE:**  
Total debt projection through 2014 is \$39,826,302. The maximum debt allowed is 15% of operating expenditures.

**(10) COST OF LIVING:** The U. S. Dept. of Labor Bureau of Labor report reflects an increase of 4.2%

**(11) MILEAGE RATES:** The IRS business mileage rate effective 1/1/09 is 55 cents. The county's current rate is 50.5 cents.

**(12) HEALTH INSURANCE:**

2008-09: Claims are 35% above the prior year; 9 of 12 major claims could have been prevented or detected earlier if normal wellness screenings had been performed.

2009-10: renewal projections with lasers – 9.30% increase; change wellness screenings to pay at 100%; mail in pharmacy to pay at 100% for wellness participants.

Recommendation: implement wellness program and offer two plans for participation and non-participation; use self-insurance fund balance to hold rates at same level. Doctors Direct, a third party administrator, will monitor the program/participants and furnish reports to the county.

**(13) MEDICAID TAX:** Effective 10/1/09, the counties Medicaid share will be eliminated. In addition to the distribution method for Article 42 sales tax will change from per capita to point of delivery.

**(14) BUDGET FACTORS:**

Increase for new construction	\$ 668,915
Cost to implement 2 <sup>nd</sup> year of Mercer classification and compensation study, with benefits, no COLA	\$ 898,482
Cost of living increase of 4.2% with benefits	\$ 681,158
SCC Match	\$ 2,658,297

The Tax Assessor is investigating unreported personal property. Secondly, all the present value use properties, particularly the forestry management programs are being investigated and the findings reflect that a significant number of property owners are not following their management plans. Thus, the properties will be returned to current fair market values with taxes being retroactive for three-years.

**(15) FUEL STORAGE & DISPENSING SYSTEM:** Mr. Westmoreland stated that because of recent gas shortages and the vulnerability of reserving fuel at local service stations for law enforcement and safety vehicles, he recommended that a 10,000-gasoline fuel storage/dispensing tank system be installed at the transit facility on Skyland Drive at a cost of \$75,000.

**(16) CLEARWOOD AND TUCKASEIGEE MILLS BUILDINGS:** Mr. Westmoreland stated that considerable improvements to both buildings will be necessary if they are not sold.

**(17) SCC EARLY COLLEGE CLASSROOM BUILDING:** Mr. Westmoreland will ascertain if an early college building could be applied as a credit, if that building could jeopardize other capital projects planned by SCC, and clarify how the SCC match balance must be paid. He has been informed that SCC will not be discussing the need for the school bus property until 2011. SCC has requested \$2 million (operating and capital) more than last year excluding the early college building.

**(18) REGION A FACILITY FINANCING REQUEST:** Southwestern Commission previously requested that the county refinance the current debt on its building.

**(19) TEACHER SUPPLEMENTS:** Teacher supplements, if appropriated, are a special line item in the school's operating budget.

There being no further business, Commissioner Cowan moved to adjourn the work session. Commissioner Jones seconded the Motion. Motion carried and the meeting adjourned at 8:20 p.m.

Attested By:

Approved:

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Evelyn B. Baker, Clerk to the Board

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Brian Thomas McMahan, Chairman