

**MINUTES OF A
RECONVENED WORK SESSION
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
JUNE 12, 2020**

The Jackson County Board of Commissioners met in a Reconvened Special Budget Work Session on June 12, 2020, 1:30 p.m., Justice and Administration Building, Room A201, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Brian McMahan, Chairman	Don Adams, County Manager
Boyce Deitz, Vice Chair	Heather C. Baker, County Attorney
Mickey Luker, Commissioner (via Zoom video conferencing)	Angela M. Winchester, Clerk to Board
Ron Mau, Commissioner (via Zoom video conferencing)	
Gayle Woody, Commissioner	

Chairman McMahan called the meeting to order.

(1) FY 2020-21 BUDGET: Chairman McMahan stated that for clarification, since there was a question about this in the recessed meeting, he did look back at the one cent property tax increase. It generated \$918,361 in revenues and was used to supplement and pay the following:

- Six new School Counselors \$425,605
- Four School Resource Officers \$190,044
- One Juvenile Detective \$51,267
- Glenville-Cashiers Rescue Squad Debt Service \$147,687
- Harris EMS 24 Hour Qualla Coverage \$190,949
- Total \$1,005,552

One additional cent on the tax rate did not cover these expenses. The additional \$87,191 needed came from the General Fund.

Chairman McMahan stated that he appreciated Commissioner Mau sending a copy of his comments and suggestions along with a follow up email that morning on some clarifications and corrections on some of the information. This was his position. He did not disagree with some of the things being requested. There were benefits with some of the suggested changes in the actual budget and some of those had already been identified and would potentially be a part of the budget in phases.

At that time, personally, he thought they should adopt the Manager's Recommended Budget, as it went through an extensive amount of vetting. Over the last 14 years he had done this, one thing he could always say was that they had never adopted a budget that had not been amended. That was the part of the process that was ongoing. They worked on it, got a good foundational start, took what had been presented to them based on reasonable expectations and then they would work with it. Over the course of the year, every meeting night, Ms. Fox would bring budget amendments that reflected the changes that needed to be made. That was his recommendation. He did not have anything against some of the suggested changes, but he did not think they needed to make them at that moment and that they needed to go with what had been presented. Then, they could make changes as they went forward.

Commissioner Deitz stated that he was not in attendance for the recessed meeting and he apologized to the Board. He had been informed of some of what happened during the meeting. They had a Finance Officer that had been doing this for 40 years and he had the utmost confidence in her. He asked Ms. Fox if she and Mr. Adams ever had a disagreement about the budget when they were putting it together?

Ms. Fox stated that they had discussions about every department. They met with the Department Heads and they discussed the details with of the departments.

Commissioner Deitz stated that all four of the other Commissioners may have known more about the budget than he did, but he had always had confidence in the Finance Officer and the County Manager, who worked on the budget extensively. They had the opportunity at any time to amend the budget to either provide more funds or to cut back, if they had to. He felt that at that point, they should leave it as it was unless there were one or two items that looked to be a mistake.

Commissioner Woody stated that a lot of these things that Commissioner Mau suggested were things she thought had very positive merit. The local teacher supplement increase was very dear to her heart, personally, but she felt that was not the time. They had a budget retreat in January, work sessions, presentations from each of the departments and other groups along the line. She asked Commissioner Mau why the timing of the day before was significant for his suggestions.

She thought they should pass the budget as presented and as they knew they could amend it as they went. Her biggest reason for that, not that these were not important suggestions or changes, the fact that they did not know what was happening in the near future and that the County Manager and Finance Director specifically stated that they would look at these things again in January, when they had a better picture.

With what had happened in the stock market, unemployment and increases with COVID cases, those were serious things. They did not know what the end result was going to be. She felt this way because of the conservative budget, careful consideration of these items and then being able to, at any time to amend the budget to meet the needs of people in a way that was being good stewards. One of her biggest feelings of responsibility as a Commissioner was to be a good steward of the finances of the county and safeguard the safety of the citizens. That was her recommendation.

Commissioner Mau stated that he wanted to address the question that Commissioner Woody had about the timing. He had asked the County Manager about if they started with actual budget or actual expenses in a conversation they had in February. He asked about dollar amounts for how much it was going to cost to get the insurance premium increase. He asked the County Manager those types of questions all along. He had been asking him questions about things related to his recommendations he made at the meeting on June 11th. That was the first meeting that was really dedicated specifically to the budget where people were not just coming in to talk with them and the first meeting after the public hearing.

Also, as he stated on June 11th, he was waiting for the most recent CPI data in order to fine tune some of his recommendations. So there was nothing about the timing or trying to catch anyone off guard. He was waiting for more information. There was a lot of uncertainty at that time, so he was trying to get the most up-to-date data he could. One thing he did know was that people were hurting, unemployment had tripled, they needed to do what they could to get more money in the people of Jackson County's pockets. They could only set the tax rate once and they had to do that with the Budget Statement. If they were going to cut taxes like he was recommending, they had to do it then.

Commissioner Luker stated that he wanted to go back to a few things that Commissioner Deitz spoke about and move forward as well. He did not think that anything he or Commissioner Mau or anyone else was saying had to do with the competency level of Ms. Fox or Mr. Adams. He did not think Ms. Fox would have been with them for that number of years if they did not have the confidence level in her and the duties that she did.

He appreciated that there would always be disagreements and discussions and different ideas and thoughts. Personally, he was sure that they had to do the same thing of making certain cuts or decisions in their own family budgets and they had to think more conservatively. He was thinking more long-term because of what they saw happen and the increases in COVID every day.

He understood that they could cut the budget as they went into it, but that still did not put any dollars back into the pockets of the citizens of the county. He did not have a set amount, but he was looking at opportunities to take care of those that made them successful and the county they had and to continue to go forward. There was so much uncertainty and there was a time they should be building on the uncertainty to see where it would take them. It was serious and they should be looking at it. If they decided not to, they would go forward, but his appeal was what could they do to give back to the citizens in the next year to help them and move forward at looking at the unemployment. That was just his two cents worth.

Commissioner Mau stated that this in no way, shape or form had anything to do with the performance of Ms. Fox or Mr. Adams. He just took a lot of time, looked at the numbers and came up with a different and reasonable approach, in his opinion. He did share what he had written up with some other folks that were professionals in that area and they were absolutely thrilled that a county like Jackson County had the resources to think about cutting taxes.

This was how government should work. They saved when times were good and spent money when times were bad. That was the way it was supposed to work that they always forgot about with the federal government. There was some real solid economic theory behind this. He did not know why they would not want to move forward with giving folks a break on their taxes. As far as the timing, it was only June 12th, they still had two and a half weeks to work on this. There was nothing that said they had to have it done by June 16th.

Chairman McMahan stated that he did not think they were rushing to have it done by June 16th. He thought they were scheduled to vote on it on June 23rd. He agreed with Commissioner Mau, he thought county government and local government, not because they were a part of it, was the best form of government. They were responsible, had balanced budgets and worked to take care of reasonable actions. He thought the state as well tried to do that, but when they got to the federal level, unfortunately, sometimes that was what created all of the problems they would get into when they were leveraging future generations against expenditures today.

He agreed totally with his statements about local government and he thought the county had a long history of making good prudent decisions in the county and he thought that was a credit to Boards and Commissioners on both sides of the aisle, all the way back who did it in a very nonpartisan way, so he completely agreed with Commissioner Mau's comments.

Commissioner Deitz stated that he agreed with Commissioner Mau also and he knew that they had confidence in Mr. Adams and Ms. Fox. He thought everyone had their mind in the right place and wanted to do right. Jackson County was ranked 97th as far as the property tax rate. They could just stop the swimming pool project and the animal shelter, which would be about \$30 million and then they could start to look at doing some things, but he did not think anyone wanted to do that at that time.

Hopefully, they did not get into a situation where they had to stop huge projects because of the situation the county, state or country was in. He did not think that there were many people in America that expected their employer to start giving them a raise, as everyone understood they were in a situation that was so fluid and they did not know which direction it would go. He appreciated all the Commissioners' thoughts.

Commissioner Woody stated that she appreciated the statement at the end of Commissioner Mau's suggestions about the use of local vendors should be encouraged as they moved forward with some of the projects, which they had been planning, for some of them, many years. As they moved forward, this could create some jobs and opportunities for employment for the local people and that was really important at that time as well.

Chairman McMahan asked if there were any additional comments. He stated that they would also have an opportunity at the next work session to take this item up, if there were any additional changes or suggestions.

(2) CLOSED SESSION:

Motion: *Commissioner Deitz moved that the Board go into closed session pursuant to G.S.143-318.11(a)(1) Privileged Information and G.S.143-318.11(a)(9) Public Safety. Commissioner Woody seconded the Motion. Motion carried.*

Chairman McMahan called the reconvened special budget work session back to order and stated that no action was taken in closed session.

There being no further business, Commissioner Mau moved to adjourn the meeting. Commissioner Luker seconded the Motion. Motion carried and the meeting adjourned at 2:32 p.m.

Attest:

Approved:

Angela M. Winchester, Clerk to Board

Brian Thomas McMahan, Chairman