

**MINUTES OF A
WORK SESSION
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
FEBRUARY 17, 2015**

The Jackson County Board of Commissioners met in a Work Session on February 17, 2015, 1:00 pm, Justice & Administration Building, Room A227, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Brian McMahan, Chairman	Chuck Wooten, County Manager
Mark Jones, Vice Chair (via speakerphone)	Angela M. Winchester, Clerk to Board
Charles Elders, Commissioner	J. K. Coward, Jr., County Attorney
Vicki Greene, Commissioner	
Boyce Deitz, Commissioner	

Chairman McMahan called the meeting to order.

(1) RALPH ANDREWS PARK PROPOSED RATE INCREASES: Rusty Ellis, Parks and Recreation Director and Jennifer Bennett, Outdoor Recreation Manager, stated that Ralph J. Andrews (RJA) Park is located on Lake Glenville and offers approximately 37 campsites ranging from primitive to full hook up. The park employs two year-round, full-time staff members, a manager and assistant manager and one part-time or intern staff through the summer. During the summer months there is a staff member at the park 24 hours a day 7 days a week. Amenities offered by the park:

- 2 shower houses
- 2 restroom buildings without showers
- Playground
- Picnic Shelter
- Playhouse
- 1 mile of unimproved lake shore

It is proposed to increase the camping rates at RJA effective for the 2015 camping season to be marketed beginning in early 2014. There is no record of the last rate increase and staff within the Parks and Recreation Department attest that there has not been an increase in at least the last ten years. The following are justifications for the proposed rate increase. Based on 2014 occupancy the proposed rates would increase RJA income by \$3,687.00.

- Consistency with industry standards: As shown below, the current fees are well below other campgrounds in the area offering camping. While amenities at said campgrounds vary the proposed fees will allow RJA to still offer affordable camping while working to become more aligned with industry fees. A value is created by the fee visitors pay, increasing fees will increase the value placed on the facility.
- Major renovations of the electrical system are currently taking place, upgrading all guest power hook ups from 30 amps to 50 amps. This will allow RV's and campers to run additional appliances without stressing the system and is in line with industry standards.
- Creation of a Group Site: The addition of a group campsite will allow schools, scouts, churches, and other groups to camp in an area all together without compromising other visitor's experiences. The proposed fee for this site is double that of single campsite and would accommodate 20 people (regular sites will accommodate 8 people).

As the demand for natural recreational spaces increases in the county the following are projects that the Parks and Recreation Department would like to pursue at RJA:

- Ralph J. Andrews Master Plan
- Multi-use recreational trails

- Disc Golf Course
- Site improvements including leveling sites, improving site drainage, and expanding sites to allow for larger RV's.
- Addition of interpretive signage about the local area and environment
- Addition of group lodging such as screen cabins or yurts
- Improvement of the access road to beach area
- Shoreline improvements including the beach areas

Fee increases are necessary to aid in the funding of potential projects and will also be warranted with the addition of amenities.

Proposed Increase		
Site Type	Current Rate in county / out of county	Proposed Rate (to begin in 2015)
Primitive		
Daily	\$10 / \$12	\$13 / \$15
Weekly	\$60 / \$72	\$78 / \$90
2 Weeks	\$120 / \$144	\$156 / \$180
Power & Water Hook Up		
Daily	\$12 / \$14	\$15 / \$17
Weekly	\$72 / \$84	\$90 / \$102
2 Weeks	\$144 / \$168	\$180 / \$204
Full Hook Up		
Daily	\$14 / \$16	\$17 / \$19
Weekly	\$84 / \$96	\$102 / \$114
2 Weeks	\$168 / \$192	\$204 / \$228
Group Site (max 20 pp)	\$10 / \$12	\$26
Shelter	\$20	\$20

(2) **MARK WATSON PARK TRAIL UPDATE**: Jennifer Bennett, Outdoor Recreation Manager, stated that Gerald Green prepared the grant to obtain funding from Duke Energy to highlight the wetland area and increase the walking trail length at the park.

Mark Watson Park Trail Cost Estimate

Task	Cost
Survey - property boundary	\$1,825.00*
Sidewalk - concrete and forms	\$2,500.00
Bridge - over drainage channel	\$1,500.00
Observation deck	\$3,000.00
Moving fence	\$2,000.00
Trail construction	\$2,000.00
Interpretive signage - labor and materials	\$6,000.00
Contingency	\$1,175.00
TOTAL	\$20,000.00

Labor to be provided by Public Works staff and costs not included in these estimates.

*Survey complete and invoice paid.

(3) **LOCUST CREEK PEDESTRAIN BRIDGE UPDATE**: Jennifer Bennett, Outdoor Recreation Manager, stated the fabrication is underway for the bridge at the Locust Creek area that connects Old Cullowhee Road to the end of the Greenway. The engineered plans for the abutments will be submitted to NCDOT for approval this week. The engineer will request construction bids in March and expects to receive bids in April. The actual bridge construction will take place during the summer. The Parks and Recreation Department will file the necessary extension for the private grant.

Alex Bell requested that the Board consider naming the area Brian Bryson Park, in honor of Brian Bryson, who tragically passed away in 2008. Brian was a native and life-long resident of the county. He was a biology and North Carolina Wildlife teacher at Smoky Mountain High School and an avid outdoorsman.

Rusty Ellis stated that the Greenway Advisory Board and the Parks and Recreation Advisory Board have both approved this request.

Chairman McMahan stated that the Board should consider a discussion to adopt a policy for naming parks, buildings and infrastructures, etc. After the policy is in place, the Board could consider this request.

(4) RECREATION MEMBERSHIP DISCOUNTS TO COUNTY RETIREES: Mr. Wooten, stated presently the county provides its employees with discounted recreation fees. He believes it was an oversight that retirees were not included. At a future meeting, he would like the Board to consider adding retirees so that they and their families would have the same discount that employees enjoy.

(5) TAX COLLECTOR UPDATE: Brandi Henson, Tax Collector and Bobby McMahan, Tax Assessor presented the tax collection timeline:

August	Tax Notices mailed
September 1	Taxes become due
January 6	Taxes become delinquent
February-June	Second Notices Delinquent Notices Attachments and Garnishments Bank Attachments NC Debt Setoff Program
March 31	Last day to pay taxes before they are advertised in The Sylva Herald

Problem accounts are sent to the attorney for a demand letter. Demand letters often bring payment or payment arrangements. If demand letters are not successful, they proceed to foreclosure. There is no charge from the attorney for demand letters. If the matter proceeds, the attorney fees are added to the amount owed. Currently, the tax collection rate for the county is 96.37%.

Chairman McMahan requested that Ms. Henson to give a report, along with her regular tax collector report, listing the properties that are going to public sale.

(6) ECONOMIC DEVELOPMENT INCENTIVES: Rich Price, Economic Development Director presented:

(a) Expanding the County's Economic Potential: The Office of Economic Development and the Business and Industry Advisory Committee have been reviewing options for economic incentive policies as requested by the Board of Commissioners. Jackson County is one of only two in the 18 western counties without an incentive policy – the other being neighboring Swain County. The School of Government estimates that 75% of the state's 653 local governments use economic incentives. The adoption of these three policies will allow the county to expand the range of development tools that it needs to succeed in today's competitive economic environment.

(b) Comparatives and Best Practices: Responses were utilized from nearly 100 other governments to determine what models might work best and what other communities advised from their experiences. From those responses, they developed these policies using examples from counties of similar population and industry, with an emphasis on job creation. They selected the model of using a strategic policy to guide the implementation of both discretionary and statutory incentive programs, relying on the same variety of incentive options used by other local governments.

(c) Legal Issues: North Carolina Statutes: North Carolina limits incentive activities by local governments under NC G.S. 158-7, which requires that all economic development appropriations are funded only by the levy of property taxes and the allocation of other revenues not restricted by law. This statute also defines what specific activities may be undertaken by local governments, allowing two types of programs: statutory, which are open to all businesses and offer a fixed incentive based on specific criteria, and discretionary, which allow local governments to offer a variety of incentives on a case-by-case basis. These draft policies rely on cash grants based on property tax revenues to supply the funds for any economic incentives and utilize both a statutory and discretionary approach.

(d) Draft Policy Overview

- The Economic Development Strategic Policy establishes county authority over the program and outlines the general implementation and review measures.
- The Discretionary Economic Incentive Policy authorizes custom incentive packages created on a case-by-case basis, which are typically reserved for projects in which incentives other than cash grants are needed.
- The Statutory Economic Incentive Policy establishes an Economic Development Incentive Program, open to all applicants who meet specific criteria, which offers cash incentives for minimum job creation.

(e) Protecting Our Investments: In all cases, draft policies include language that retains the right of discretion for the county and establishes Economic Development Agreements (EDAs) containing what are often called “clawback provisions” for every incentive granted. These EDAs establish means for regaining incentives should a company fail to meet its obligations and allow the county to audit or examine those companies for the satisfaction of performance standards. All policies should include language that requires each applicant to demonstrably prove that without county support the jobs proposed would not be created in the county, and protects the county’s discretionary authority in making final decisions on incentive awards.

(7) HUMAN RESOURCES UPDATE: Danielle Wittekind, Human Resource Director presented 2015 Compensation and Benefits Report:

Table of Contents

- I. Executive Summary
- II. County Salary and Regional Comparison
 - Total Compensation
 - Market Compensation Survey
 - History of Increases
 - Area Increase Comparisons
- III. Turnover Rates and Retirements
 - Turnover Rate is 8%
 - Retirement Eligibility of County Employees
 - Average Age of Workforce
- IV. Salary Adjustment Proposals:

Cost Projection for 1 Step Increase of 2%

Current Annual Salary	\$14,793,906.10
2% Step/Salary Increase	\$295,878.12
Benefits:	
Social Security	\$18,344.44
Retirement	\$2,091.86
Retirement-Sheriff	\$2,090.58
Medicare	\$4,290.23
TOTAL COST	\$322,695.23

Option One

To bring the career path up-to-date	\$1,223,487.70
Benefits:	
Social Security	\$75,856.24
Retirement	\$86,500.58
Medicare	\$17,740.57
TOTAL COST	\$1,403,585.09

Option Two

3 Steps	\$635,152.49
2 Steps	\$82,250.04
1 Step	\$43,035.60
Total Steps	\$760,438.13
Benefits:	
Social Security	\$47,147.16
Retirement	\$53,762.98
Medicare	\$11,026.35
TOTAL COST	\$872,374.62

**Additional Add-on Option
Longevity / Bonus**

	Proposed	Current - \$50
	\$144,600.00	\$21,548.29
Benefits:		
Social Security	\$8,965.20	\$1,333.92
Retirement	\$10,223.22	
Medicare	\$2,096.70	\$314.37
TOTAL COST	\$165,885.12	\$23,196.58

V. Reclassification Recommendations

VI. Appendix

A. 2014 Market Compensation Survey – Benchmark Positions

B. Retirement Eligibility

Consensus: In regards to the Salary Adjustment Proposals, the Board is in favor of Option Two with more research and work with Department Heads to see if funds can be identified to support this option.

(8) FY 15-16 BUDGET: Mr. Wooten and Darlene Fox, Finance Director presented budget projections and the proposed budget calendar:

	FY 2015	FY 2016	
	Current Year	Projected	Increase
REVENUE			
Ad Valorem Tax	\$30,297,364	\$30,619,420	\$322,056
<i>Values from TR-1 report, plus \$104,153,959 for new construction values</i>			
Motor Vehicle Tax	\$750,000	\$722,225	(\$27,775)
<i>Based on average NCVTS assessed values for last nine months</i>			
Sales Tax	\$8,650,509	\$9,080,534	\$430,025
<i>Based on 5% growth factor</i>			
TOTAL REVENUE PROJECTION:			\$724,306

January 20	Board of Commissioners' Preliminary Goal Setting / Budget Planning Session
February 17	Board of Commissioners' Final Goal Setting / Budget Planning Session
February 27	Manager's Preliminary Meeting with Department Heads
March 1	Non-Profit Grant Applications Disseminated
March 20	Departmental Operations and Capital Budget Requests Submitted to Finance
March 25-April 22	Manager / Finance Budget Meeting with Departments and Agencies
April 21	Budget Workshop 1 – Board of Commissioners (JCPS, SCC, Library, Non-Profits, Debt Service)
May 19	Budget Workshop 2 – Board of Commissioners (County Departments, Fire & Rescue, Revenues, Capital Outlay, Other Funds)
May 21	Manager's Recommended Budget presented to Board
May 22-June 12	Budget Review by Board of Commissioners
June 4	Public Hearing on Proposed Budget
June 16	Budget Workshop 3 – Board of Commissioners (Final Adjustments and Discussion)
June 18	Adoption of Budget

(9) FIRE DISTRICTS / FIRE TAX - NEXT STEPS TO ESTABLISH: Mr. Wooten presented an amended tentative timeline for creating Service Districts:

February 17	Follow-up Discussion
March 5 or 19	Decision about next steps
March 23	Notice Mailed
April 16 and 23	Notice Published
April 27	Public Hearings
May 7	Adoption of Resolution
May 19	Consider Fire Budgets
June 18	Adopt County Budget
July 1	Tax Levied

Mr. Wooten reported there was a discrepancy in some of the tax values previously stated, as they contained the non-profit values as well. Bobby McMahan, Tax Assessor has recalculated the values as follows:

Cashiers Fire District:

Total Taxable Value	\$6,226,821,914
Less Highlands (Estimate)	\$329,503,730
Total Taxable Value Revised	\$5,897,318,184
Total Taxable Based on Current Collection Rate (96.1%)	\$5,667,322,775
Value Per \$0.01	\$566,732
Cashiers Proposed Budget	\$1,103,715
Required Tax Rate	0.0195
Average Value / Fire Tax	\$472,947 / \$92.11
	\$100,000 / \$19.50
	\$200,000 / \$39.00
	\$300,000 / 58.50
	\$1,000,000 / \$195.00
	\$17,060,240 / \$3,326.75

Cullowhee Fire District:

Total Taxable Value	\$1,190,910,700
Total Taxable Value Revised	\$1,144,465,183
Value Per \$0.01	\$114,446
Cullowhee Proposed Budget	\$648,910
Required Tax Rate	0.0567
Average Value / Fire Tax	\$208,456 / \$118.19
	\$100,000 / \$56.70
	\$200,000 / \$113.40
	\$300,000 / \$170.10
	\$1,000,000 / \$567.00
	\$13,031,570 / \$7,388.90

Mr. Wooten stated that the people living along the Jackson / Macon line would be separated out and there would be a separate district setup for Highlands. It is estimated that this tax would be 0.09 that the county would collect from the new district and remit to the Town of Highlands.

Also, during the joint meeting with the municipalities on March 2nd, they will be discussing adoption of resolutions by the municipalities in support of this and also that they would give up the tax assessments they are currently making for fire and let the county-wide tax pay the full cost.

Mr. Wooten stated that another issue is that some people in the Sylva fire district believe they would be better served by the Qualla fire district. The Board would need to consider adjustments to the boundaries in these districts.

Chairman McMahan requested Mr. Dillard have a map available on Thursday to show the area in question on the Qualla / Sylva boundary line.

Todd Dillard stated that Cashiers has hired a management company to redo their Bylaws and advise them on employment laws, etc. It is advisable for this firm to consult with Cullowhee Fire Department also.

(10) EMERGENCY SERVICES IN AREAS NEAR JACKSON / MACON LINE:

Mr. Wooten stated there is an area on the south end of the county where Macon County is providing EMS and 911 dispatch service. He received an email from the Macon County Manager indicating they want Jackson County to compensate them for providing this service. This is an item that will need to be discussed going forward in the budget process.

There being no further business, Commissioner Greene moved to adjourn the meeting. Commissioner Elders seconded the Motion. Motion carried and the meeting adjourned at 4:47 p.m.

Attest:

Approved:

Angela M. Winchester, Clerk to Board

Brian Thomas McMahan, Chairman