

**MINUTES OF A  
BOARD RETREAT  
OF THE JACKSON COUNTY  
BOARD OF COMMISSIONERS  
HELD ON  
FEBRUARY 27, 2020**

The Jackson County Board of Commissioners met in a Board Retreat on February 27, 2020, 1:00 p.m., North Carolina Center for Advancement of Teaching, 276 NCCAT Drive, Room 109, Cullowhee, North Carolina.

Present: Brian McMahan, Chairman  
Boyce Deitz, Vice Chair  
Ron Mau, Commissioner  
Gayle Woody, Commissioner  
Absent: Mickey Luker, Commissioner

Don Adams, County Manager  
Heather C. Baker, County Attorney  
Angela M. Winchester, Clerk to Board

Chairman McMahan called the meeting to order.

**(1) INTRODUCTIONS AND PURPOSE OF THE MEETING:** Chairman McMahan stated they wanted to take the opportunity to start the dialogue about the budget and how they would get to an adoption in June.

Mr. Adams stated that the primary goal of the day was for the Commissioners to start discussing their primary goals for capital and if they had any ideas or concepts of new programs. They would also tackle some of the larger issues they had previously discussed.

**(2) ADOPTED 2040 COMPREHENSIVE PLAN – SUMMARY OF GOALS AND OBJECTIVES:** Comprehensive Plan and Budget Impacts:

Michael Poston, Planning Director, presented:

**(a) Education:**

- Create broadband “hot spots” at community centers, recreation center, public library.
- Form a New Century Scholar type of program for vocational jobs
- Explore Supplemental Housing allowances
- Partner with the school system to increase awareness for Safe Routes to School Program
- Support apprenticeship and vocational based summer programs for k-12 and community college educational professionals

Mr. Adams stated that he talked with Kelly Fuqua, IT Director, regarding the hot spots. They were waiting for the weather to break, but they would have hot spots at East Laporte, Barkers Creek and the Recreation Center, hopefully by spring. After those were established, she would start focusing on CJ Harris, Locust Creek and Mark Watson Park. He asked if the Commissioners to think about other areas they thought hot spots would be needed.

Regarding apprenticeship and summer programs, last year, the county did some experimenting with Heights and hired one individual. He was looking to hire three to six that year. These were high school kids that would be working with the Maintenance Staff.

**(b) Public Health:**

- Support efforts to construct a new Animal Rescue facility
- Work with health care partners to establish a mobile health services
- Continue to provide and broaden transportation options to healthcare offices and facilities.
- Expand community gardens on county owned land

- Develop a food sustainability plan

Commissioner Woody stated that she recently spoke with Paige Christie, Executive Director of the Community Table. She had just received a grant for Farm to Table, so they were excited about being able to invest some of the grant money into local farmers and they would have fresh produce.

- Invest in infrastructure (sidewalks/greenway) in existing communities to increase physical activities.

Mr. Poston stated that they just kicked off a pedestrian planning process, which they received a state grant last year. This included all of the stakeholders in the county.

Mr. Adams stated that this was a long-term plan, not every component was being worked on currently. The goal was to try to work on priorities when they could.

**(c) Infrastructure:**

- Encourage local government coordinating with housing developers.
- Work with critical facility owners to compile a list of critical assets, existing facilities, including age, condition and estimated life expectancy
- Coordinate with NCDOT, county, municipalities, and service providers to extend trunk lines to economic nodes

**(d) Natural Resources/Environment:**

- Educate and promote the conservation of sensitive areas
- Collaborate with local land trust to protect sensitive areas

**(e) Economic Development:**

- Promote and encourage reliable broadband solutions for rural areas
- Explore opportunities to secure land for future development opportunities
- Establish a business incubator for emerging businesses
- Perform market campaign and/or analysis for the county
- Update the county's Comprehensive Economic Development Strategy

Mr. Adams stated that the Business and Industry Council would be selecting the firm in March for the Economic Development Strategy Update and then that process would begin.

**(f) Housing:**

- Partner and support Mt. Projects in providing housing options to county residents

Mr. Poston stated that Mountain Projects had received 65 applications for the five houses they were looking to put on 2<sup>nd</sup> Avenue, which the county had already agreed to partner with Mountain Projects on. It was his understanding that between 70-75% of the applications were from people already living in Jackson County. Three applications had been approved by USDA and once they get the fourth, they would break ground on the project.

- Research and identify public/private/ non-profit partnerships to provide more housing options to residents (i.e. Housing Trust Fund, Land Banking)
- Partner with local non-profits to provide facilities and services for the county's homeless population

**(g) Transportation:**

- Designate funds in the county budget for local match requirements and maintenance of infrastructure projects (sidewalks/greenways)
- Expand sidewalks, bike lanes, and greenways to housing and community centers.

- Plan and construct bicycle and pedestrian connection between Fairview School and NC 107, Scotts Creek and the HUB with the Town of Sylva, Cullowhee Valley School and WCU and Village of Forest Hills, and between Smokey Mountain Elementary and the Qualla Boundary
  - Partner with Airport Authority to identify funding resources for airport improvements
  - Partner with WCU to create transit routes that were interconnected
  - Explore making wifi available on transit vehicles
- (h) Recreation:
- Build trail connections between places of interest to increase accessibility by active modes of transportation
  - Provide access to recreational opportunities near all major communities- Geographical Equity
  - Develop pocket park in Whittier
  - Expand the county's greenway system
    - Update to Greenway Master Plan
  - Develop a Special Events program to host large scale events, increasing visitation to the county and generating revenue for the Parks and Rec Department to invest in sustaining programs and expanding opportunities
  - Develop Cullowhee River Park/Dillsboro River Park
- (i) Cultural Resources:
- Conduct a survey of non-structural historic and cultural sites
  - Work with the State Historic Preservation Office to become a certified local government
  - Explore options to preserve and maintain historic cemeteries

Mr. Poston stated that they were at the consultant selection stage for an update to the historic survey, which should be done by November.

- (j) Land Use:
- Update the 441 Corridor Small Area Plan
  - Identify areas of the county that may require future Small Area Planning

Mr. Poston stated that they were always evaluating ordinances and working with the boards and councils to make recommendations about how to make sure the rules and regulatory structure were appropriate to achieving the goals that the communities wanted to achieve through policy.

They completed the Cashiers Small Area Plan and would bring that to the Board in the next few months. They would still look to update the 441 Small Area Plan, which was last done in 2009.

Mr. Adams stated that another ongoing plan was for the Cashiers Recreation Plan.

Commissioner Woody stated that she thought it was important to make the public aware of the hotspots. This would not solve the problems, but it would be a step toward more access.

Mr. Adams stated that once they got the first three sites up, they could see what kind of usage was there. They were partnering with SkyFi on the project and once they got a good grasp on how to deliver the service, that would allow them to expand to other areas.

Commissioner Woody stated that she spoke with Jeffrey Sural, the Director of Broadband Infrastructure of North Carolina Department of Information Technology, when she was at the state meeting. She inquired if they could invite him to come meet with the Board when he was in the area to speak about some of the unique challenges in the area.

Mr. Adams stated that he would follow up with Mr. Sural.

*Informational item.*

**(3) INDOOR POOL REFERENDUM:** Chad Roberson, Principal Architect with ClarkNexsen and Rusty Ellis, Recreation and Parks Director, were present for this item.

Mr. Roberson stated that he wanted to provide a review and an update to the Board since their last meeting where the Board gave direction for them to go out and get pricing on the project. They went through a long process with county staff members gathering information, understanding what the needs were and they talked with a lot of people in the community.

He provided a review from the December 10<sup>th</sup> work session:

**(a) Process:**

- Information gathering with work group meetings in August and October with representatives from Aquatics, Swim Teams High School, Recreation Board and Recreation Staff.
- Operational work session to determine aquatic needs and operating costs.
- Existing building assessment, which they had done an excellent job of maintaining the facility.
- Site assessment.
- Preliminary geo-technical investigation.
- Developed two site options.

**(b) Site considerations:**

- Existing entry sequence and approach.
- Views of mountains and park areas.
- Adjacency to existing recreation center.
- Topography and property line constraints.
- Vehicular circulation.
- Connection to existing park amenities.
- Site placement that addressed solar heat gain and natural day lighting.

Mr. Roberson stated that trends in aquatic facilities were giving options so that they did not just have a competition pool, but also they could have a leisure pool for a variety of different uses. At the work session, they presented the Board with two options. The selection was to move forward with Option B.

**(c) Option B:**

- The second option placed the aquatics facility to the north of the rec center.
- The facility would house locker rooms, a completion seating deck, party room spaces, offices and adequate support spaces. It would also have a redesigned entry and front “face” from the road.
- The aquatics location would displace approximately 70 existing spaces and require new parking to be added in order to maintain the current space count.
- Visitor circulation would have one access point for both facilities.
- Positioning the pools along an east to west axis with southern facing exposer takes advantage of the solar orientation and frames a view of the park and mountains. This would allow for a visual connection between the new facility and existing exterior spaces.
- Exterior spaces could be created adjacent to the pools and the park.
- The displaced parking would be replaced and added to the east and south of the existing rec center.
- Views from the aquatics center would be directed toward the south and west, keeping a visual connection to the park and optimizing solar orientations.
- A new clear and central entry would be established.
- Circulation through the new entry to the rec center or to the aquatics center.

Commissioner Deitz inquired if there was a way to have two separate entry points. Mr. Roberson stated that they could have some type of access or check-in at the other parking lot area.

(d) Conceptual Budgeting:

	SF				
Division 1 - General Requirements	30,800	@	\$34.00	psf	\$1,047,200.00
Division 2 - Site Construction	30,800	@	\$3.00	psf	\$92,400.00
Division 3 - Concrete	30,800	@	\$15.00	psf	\$462,000.00
Division 4 - Masonry	30,800	@	\$15.00	psf	\$462,000.00
Division 5 - Metals	30,800	@	\$60.00	psf	\$1,848,000.00
Division 6 - Wood and Plastics	30,800	@	\$3.00	psf	\$92,400.00
Division 7 - Thermal and Moisture Protection	30,800	@	\$28.00	psf	\$862,400.00
Division 8 - Doors and Windows	30,800	@	\$27.00	psf	\$831,600.00
Division 9 - Finishes	30,800	@	\$24.00	psf	\$739,200.00
Division 10 - Specialties	30,800	@	\$2.50	psf	\$77,000.00
Division 11 - Equipment	30,800	@	\$2.00	psf	\$61,600.00
Division 12 - Furnishings	30,800	@	\$2.00	psf	\$61,600.00
Division 13 - Specialty Construction	30,800	@	\$75.00	psf	\$2,310,000.00
Division 14 - Conveying	30,800	@		psf	
Division 21 - Fire Suppression	30,800	@	\$3.50	psf	\$107,800.00
Division 22 - Plumbing	30,800	@	\$12.00	psf	\$369,600.00
Division 23 - HVAC	30,800	@	\$32.00	psf	\$985,600.00
Division 26 - Electrical	30,800	@	\$30.00	psf	\$924,000.00
Division 27 - Communications	30,800	@	\$3.00	psf	\$92,400.00
Division 28 - Electronic Safety and Security	30,800	@	\$2.00	psf	\$61,600.00
Division 31 - Earthwork	4	@	\$450,000.00	per acre	\$1,800,000.00
Division 32 - Exterior Improvements	4	@	\$75,000.00	per acre	\$300,000.00
Division 33 - Utilities	30,800	@	\$4.00	psf	\$123,200.00
Total cost in 2020 dollars					\$13,711,600.00
Escalation-Assumed Design start in Jan, 2021 Construction begin June 2022, construction complete Jan 2024*					
*Escalation to the midpoint of construction	27.0 month	@	.5% per month	13.50%	\$1,851,066.00
Sub total					\$15,562,666.00
CM Fee				5%	\$778,133.30
Sub total					\$16,340,799.30
Bonds and Insurance				1.50%	\$245,111.99
Grand Total Construction Costs					\$16,585,911.29
Owner Contingency				5%	\$829,295.56
Soft Costs				11.00%	\$1,915,672.75
Furniture, Fixture, Equipment	30,800	@	\$8.00	psf	\$246,400.00
Technology/Equipment	30,800	@	\$4.00	psf	\$123,200.00
<b>Total Project Costs</b>					<b>\$19,700,479.61</b>

Mr. Adams requested that Mr. Roberson discuss the two pools versus one pool.

Mr. Roberson stated that the pools themselves, the actual shell that held the water, were a little over \$1mil each. The structure to encapsulate that was separate and filtered throughout all of the divisions. These were not inexpensive structures to build. They could build them inexpensively, but there would be a lot more maintenance.

Mr. Ellis stated that with two pools, they could have a swim competition going on at one side and a pool party at the other side, so that they would have dual revenue.

Mr. Roberson stated that generally the completion pool was a few degrees cooler than the leisure pool. There would be two different systems incorporated for the pools.

General discussions were held.

Mr. Adams stated that they were not looking for a decision from the Board that day. Later in the meeting, he would present a timeline for decisions. The presentation was to provide information to the Board so they could consume it and then come back with questions.

Mr. Roberson presented: Counsilman-Hunsaker – Aquatics for life: Part of their charge was to look at the project from an operational standpoint.

**(e) Business Planning Process:**

- Operational data for the indoor aquatic center including attendance projections and trends, admission and pricing structure, aquatic program offerings, projected revenue, operating expenses, net operating income and net income after capital costs.
- Proposed marketing strategies, pricing policies and sponsorship efforts.
- Analysis of market demographics including population levels and trends, incomes and age distribution.
- A review of competing indoor aquatic facilities.
- Projections of design level attendance figures and required capacity requirements.
- Projections of facility operational expenses including personnel, chemical demand, operating supplies, maintenance and repair, utility demand, marketing, food and beverage and retail.
- Projections of overall financial performance for the indoor aquatic center.
- Provide a guide for the future operations of the pool.
- Provide recommendations.
- Program considerations.
- Develop a plan that the county would have the personnel, desire and ability to implement through this collaborative process.

**(f) Aquatic User Groups:**

- Recreation
- Competition
- Instruction
- Wellness and Therapy

**(g) Trends in indoor aquatics:** 72.2% of aquatic facilities were subsidized via funding from other sources.

Mr. Ellis stated that they based projected new membership of 60% on the current membership base on the dry side. They figured that an average of \$147,000 would be additional to the current amount of \$137,000 on the dry side. They did not include new members they would get just because of the pool.

Mr. Roberson presented:

**(h) Market overview:**

- Study Premises:
  - Personnel costs
  - Utility rates
  - Other expenses
- Direct Facility Expense Budget:

Labor	\$284,945
Commodities	\$63,070
Utilities	\$201,222
Programs	\$62,307
<b>Total Operating Expenses</b>	<b>\$611,544</b>

This was for operating the new and existing facility.

**(i) Revenue Analysis**

- Daily Admissions/Memberships \$105,862
- Swim Team Revenue \$15,000
- Aquatics Instruction Revenue \$85,019
- Food and Beverage \$12,839
- Rentals \$12,500

**(j) Aquatic Facility Financial Dashboard:**

- Total Capital Cost \$14,600,000
- Total Attendance \$41,898
- Operating Cash flow (\$380,324)
- Cost Recovery 38%
- Annual Revenue:
  - 1 - \$231,220
  - 2 - \$242,065
  - 3 - \$271,536
  - 4 - \$279,211
  - 5 - \$300,786

General discussions were held.

*Informational item.*

**(4) FINANCIAL UPDATE:** Darlene Fox, Finance Director presented:

Financial Update:

**(a) Revenues:**

- Property tax
- Other tax
- Sales tax
- Sales and services
- Intergovernmental
- Debt proceeds
- Other miscellaneous

(b) Expenditures for Fiscal Year 2019:

- Education 24.70%
- Debt Service 5.96%
- Human Services 20.51%
- General Government 13.25%
- Public Safety 22.45%
- Other 13.13%

(c) Fund Balance:

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Jackson County	35.39	41.15	44.86	43.32	45.87	49.18	29.57
Group	27.84	30.49	31.19	32.77	34.18	31.63	32.85
State	26.74	27.46	27.49	28.26	28.83	30.35	28.22

(d) Analysis of property tax:

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Jackson County	95.89	96.33	96.76	97.47	97.73	97.56	97.88
Group	95.46	96.71	97.47	97.73	98.06	98.05	98.34
State	97.30	97.97	98.59	98.79	99.04	99.10	99.16

(e) Outstanding debt as of July 1, 2020:

<u>Date Incurred</u>	<u>DOLP</u>	<u>Interest Rate</u>	<u>Purpose</u>	<u>Amount</u>
12/30/2005	12/29/2020	2.16%	SMH III, Cashiers Library	\$316,912.94
12/20/2007	12/20/2022	2.19%	FV Kindergarten, Cashiers Webster Site Work	\$1,650,833.25
12/11/2008	12/11/2023	2.27%	Aging Facility	\$973,233.41
7/15/2008	7/16/2024	2.49%	Jackson County, SCC	\$3,088,633.87
10/25/2012	10/25/2027	2.79%	SMH Gym, Fine Arts, BR Locker Room	\$5,000,000.05
3/22/2017	3/30/2032	0%	School Improvements-QZAB	\$7,200,000.00
01/30/2019	02/01/2039	3.81%	SCC Health Sciences Building	\$9,500,000.00
				<b>\$27,729,613.52</b>

Mr. Adams stated that depending how the board proceeded forward in regards to the indoor pool, he would redo an analysis of capacity. In order to put the indoor pool on a referendum, they would have to visit the LGC to discuss whether or not it was within their capacity.

*Informational item.*

(5) **FISCAL YEAR 2020-2021 FINANCIAL OUTLOOK:** Mr. Adams and Ms. Fox presented:

(a) New year funding capacity for 2020-2021:

<u>Source of Revenue</u>	<u>Projected Increase</u>	<u>Amount</u>
Ad Valorem Taxes	\$162,336,368 New Construction Value	\$616,878
Motor Vehicle tax	\$28,313,050 Increase in Value	\$107,590
Sales Tax	5% Increase (does not include Article 46)	\$634,566
<b>Total New Capacity Projected</b>		<b>\$1,359,034</b>



(b) Ad valorem tax:

<u>Source</u>	<u>Value</u>
Ad Valorem Tax Value TR-1	\$9,206,069,112
New Construction	\$162,336,368
Motor Vehicle	\$400,435,862
<b>Total Value</b>	<b>\$9,768,841,342</b>

- Total ad valorem tax @ \$0.38 per \$100 = \$37,121,597
- Collection rate @ 97.88% = \$36,334,619
- 1 cent on tax rate = \$956,174

(c) Additional Fund Sources:

<u>Capital Reserve Fund</u>	
FY 2020 Balance	\$0
FY 2020-2021	\$0
FY 2021-2022	\$763,745
<b>Total</b>	<b>\$763,745</b>

<u>Fund Balance</u>	
FY 2020 Balance	\$22,412,554
Reserved by Policy 25%	\$14,311,996
Reserved by State	\$4,665,245
<b>Total</b>	<b>\$3,435,313</b>

*Informational item.*

(6) **POTENTIAL MAJOR BUDGET DRIVERS:** Mr. Adams stated that several years ago, the Board had adopted a Grade and Step Plan. When dealing with upgrading and maintaining the Grade and Step Plan, they wanted to make sure positions were ranked appropriately and that beginning salaries were competitive, regionally. The third part would be compression, which the Board had worked on over the last couple of years.

He wanted to discuss a Cost of Living Adjustment (COLA). If they called the raises a COLA, it would not move people up the steps, it would actually increase the starting salary by the CPI, which would translate all the way through the steps.

When trying to maintain a system like this, if a county did not do these three things, compression, COLA and adjusting the grade scale regarding appropriate rankings, they would eventually get behind. If they added all of the three together, 2% would be for the step, around 2% for the COLA and 1-2% for new employees and adjustments. If they did not invest 5-6% every year, in five years, they would get behind in one of those areas, but it was really difficult to budget 6% every year for salaries. They would have to invest what they could as best they could to deal with the issues that may appear in five to ten years.

General discussions were held.

(a) Payroll Projections for Fiscal 2020-2021:

- The Career Path Salary Program was currently up to date.
- Projections for a cost of living increase of 2%: \$349,430
- Projections for a one step (2%) increase for the career path: \$356,418
- Total for projected payroll increases: \$705,848

Commissioner Woody stated that she felt the employees were the greatest asset in the county and they needed to value them and keep them.

**(b) Health Insurance**

- Rate action projection of 7.47%: \$482,800
- Mark III Brokerage was doing a cost analysis and recommendation on the Health Insurance Coverage for the new year renewal effective July 1, 2020.
- Current monthly rate: \$1,092
- Proposed monthly rate: \$1,174
- Current annual cost: \$13,104
- Proposed annual cost: \$14,088

It was recommended that the 7.47% increase be applied across the board so that not only the county would increase payment, but also for dependent coverage to also increase 7.47%.

General discussions were held.

**(c) Funding Capacity and Budget Driver Summary:**

<u>Source</u>	<u>Amount</u>
Ad Valorem Taxes	\$616,878
Motor Vehicle Taxes	\$107,590
Sales Tax	\$634,566
<b>Total</b>	<b>\$1,359,034</b>

<u>Driver</u>	<u>Amount</u>
Payroll	\$705,848
Health Insurance	\$482,800
<b>Total</b>	<b>\$1,188,648</b>

- Additional Capacity Available: \$170,386

**(d) Major CIP Projects – County**

- Health Department Renovation: \$7,949,492
  - Construction estimated to be completed in May 2020

<u>Funding Source</u>	<u>FY 2016-2017</u>	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>	<u>Totals</u>
General Fund Balance	-	-	\$7,600,000.00	-	-	\$7,600,000.00
Capital Reserve	-	-	\$349,492.00	-	-	\$349,492.00
<b>Total</b>	-	-	<b>\$7,949,492.00</b>	-	-	<b>\$7,949,492.00</b>

- Dillsboro Complex Project: \$5,390,000

<u>Funding Source</u>	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>	<u>FY 2019-2020</u>	<u>FY 2020-2021</u>	<u>FY 2021-2022</u>	<u>Totals</u>
General Fund Balance	-	-	-	-	-	-
Capital Reserve	-	-	\$1,000,000.00	\$4,153,745.00	\$236,255.00	\$5,390,000.00
<b>Total</b>	-	-	<b>\$1,000,000.00</b>	<b>\$4,153,745.00</b>	<b>\$236,255.00</b>	<b>\$5,390,000.00</b>

Commissioner Woody stated that regarding recent reports on Dogwood Health Trust and the next rounds of grants being larger, could they request funding for the walking trail at the Dillsboro Complex because that was a direct wellness component of walking, which was part of what the money was earmarked for.

Mr. Adams stated that he would go back and look at the timing and apply for those funds.

- Justice Center Renovations: \$1,500,000

<b>Funding Source</b>	<b>FY 2018-2019</b>	<b>FY 2019-2020</b>	<b>FY 2020-2021</b>	<b>FY 2021-2022</b>	<b>FY 2022-2023</b>	<b>Totals</b>
General Fund Balance	-	-	\$75,000.00	\$525,000.00	-	600,000.00
Capital Reserve	-	-	-	\$675,000.00	\$225,000.00	\$900,000.00
<b>Total</b>	-	-	<b>\$75,000.00</b>	<b>\$1,200,000.00</b>	<b>\$225,000.00</b>	<b>\$1,500,000.00</b>

(e) Facility CIP Projects Approved FY 2018-2022 Plan Summary

<b>Funding Source</b>	<b>FY 2016-2017</b>	<b>FY 2017-2018</b>	<b>FY 2018-2019</b>	<b>FY 2019-2020</b>	<b>FY 2020-2021</b>	<b>FY 2021-2022</b>	<b>FY 2022-2023</b>	<b>Totals</b>
Capital Reserve	\$1,479,394.25	\$1,000,604.04	\$1,000,604.94	\$1,005,161.19	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00	\$7,485,764.42
General Fund Balance	-	-	\$7,600,000.00	-	\$100,000.00	\$500,000.00	-	\$8,200,000.00
<b>Totals</b>	<b>\$1,479,394.25</b>	<b>\$1,000,604.04</b>	<b>\$8,600,604.94</b>	<b>\$1,005,161.19</b>	<b>\$1,100,000.00</b>	<b>\$1,500,000.00</b>	<b>\$1,000,000.00</b>	<b>\$15,685,764.42</b>
	-	-	-	-	-	-	-	
<b>Cumulative Totals</b>	<b>\$1,479,394.25</b>	<b>\$2,479,998.29</b>	<b>\$11,080,603.23</b>	<b>\$12,085,764.42</b>	<b>\$13,185,764.42</b>	<b>\$14,685,764.42</b>	<b>\$15,685,764.42</b>	
<b>Projects Committed:</b>								
Health Department	-	-	\$7,949,492.00	-	-	-	-	\$7,949,492.00
Dillsboro Complex	-	-	-	\$1,000,000.00	\$4,153,745.00	\$236,255.00	-	\$5,390,000.00
Justice Center Renovations	-	-	-	-	\$75,000.00	\$12,000,000.00	\$225,000.00	\$1,500,000.00
			\$7,949,492.00	\$1,000,000.00	\$4,228,745.00	\$1,436,255.00	\$225,000.00	\$14,839,492.00
<b>Cumulative Totals</b>	<b>\$1,479,394.25</b>	<b>\$2,479,998.29</b>	<b>\$3,131,111.23</b>	<b>\$3,136,272.42</b>	<b>\$7,527.42</b>	<b>\$71,272.42</b>	<b>\$846,272.42</b>	<b>\$846,272.42</b>

(f) Potential New Major CIP Projects - County:

- Cullowhee River Park: \$1,800,000 (2015 estimated cost)
- Aquatics Center: \$19,700,480
- Funds available for projects for FY 2019-2021: \$1,609,383

Mr. Adams stated that if they wanted to proceed forward with the Cullowhee River Park, where did they need to go for the planning process. It would either need to be put into the larger plan, which was based out of the Capital Reserve Fund or they had to look at it in the Conservation Preservation Fund (CPR). They set aside \$500,000 per year in the CPR Fund. If they started getting into projects that were \$2-3mil, they would be taking those funds for multiple years. He recommended if they started to get into a \$2-3mil project, they needed to move it over to a Capital Reserve Fund Balance conversation instead of the CPR Fund. He believed the value of the CPR Fund was that it allowed them to do projects annually.

(g) Conceptual Budgeting for Aquatics Center:

	<u>Amount</u>
Estimated Construction Costs	\$16,585,911
Soft Costs – A&E Fees, Testing	\$1,915,673
Furniture, Fixtures, Equipment	\$246,400
Technology, Equipment	\$123,200
Contingency	\$829,296
<u>Total Estimated Construction Cost:</u>	<u>\$19,700,480</u>
Estimated Closing Cost:	\$250,000
<u>Total Estimated Construction and Closing Cost:</u>	<u>\$19,950,480</u>
<b>Projected Annual Operation Cost:</b>	<b>\$611,544</b>

(h) Bond Referendum for Aquatics Center November 2020:

<u>Amount of Debt Proceeds and Operating Costs</u>	<u>Tax Increase Required</u>
\$19,950,480 (Construction and Closing Costs)	\$0.0222 per \$100
\$380,324 (Annual Operating Costs Projected)	\$0.0040 per \$100
Total Amount \$20,330,804	\$0.0226 per \$100

Chairman McMahan inquired if they placed the Aquatics Center on the ballot in November and it received a favorable vote, how long would it be in place?

Ms. Fox stated it would be 15 years.

Chairman McMahan stated that after 15 years, the tax went away, but the county would still be responsible for the operational costs.

Mr. Adams stated that the referendum would allow them to utilize the taxing authority as the collateral for the loan. It would be up to the Board in 15 years whether they decreased the tax or not.

General discussions were held.

(i) CPR Projects:

- Whittier Park
- Fairview Complex
- Dillsboro Park
- Greenway
- FY2019-2020 Budget amount of \$750,000 for new parks
- Funds available for Projects for FY 2020-2021: \$66,319

(j) CPR Projects:

<u>Fiscal Year</u>	<u>Amount Available</u>
FY 2019-2020 Balance	\$166,319
FY 2020-2021	\$500,000
FY 2021-2022	<u>\$500,000</u>
<b>Total</b>	<b>\$1,166,319</b>

(k) Major CIP – Public Schools Prioritized:

- 1. Continue Capital Funding from FY 2019-2020: \$1,331,200 plus an additional \$25,000 for security camera upgrades
- 2. Baseball Field Accessibility: \$463,800
- 3. Single Entry Points and Egress Courtyards: \$2,500,000
- 4. Scotts Creek Slope Stabilization: \$800,000 - \$1,000,000

- 5. Football Stadium ADA Compliant Ramp and Bathroom/Concessions:
  - 6. SMHS Track:
  - 7. Bus Garage:
  - 8. Fairview Cafeteria and Blue Ridge Gym/Stage
- (l) Major CIP – Public Schools FY 2019-2020:
- OCR Resolution at SMHS Baseball Accessibility \$463,800
    - FY 2019-2020 Funding: \$463,800 from School Capital Reserve Fund
  - Single Entry Point and Egress Courtyards
    - Current cost projection \$2,500,000
    - FY 2020-2021 Funding: \$2,500,000
  - Scotts Creek Slope Stabilization
    - Current cost projection \$800,000-\$1,000,000
    - FY 2020-2021 Funding: \$1,000,000
  - Football Stadium Accessibility Upgrades:
    - ADA Compliant Visitor Bathrooms and Concessions at Football Stadium: \$40,000
    - ADA Compliant Ramp – Football: TBD
    - ADA Compliant Home Bathroom at Football Stadium: \$30,000
    - ADA Compliant Seating Home Side Bleachers at Football Stadium: TBD
    - ADA Press Box and Concessions: TDA
    - Total \$70,000 - \$250,000
  - Long Term – Track on Jones Street Property: \$750,000
  - Bus Garage: \$2,500,000
  - Fairview Cafeteria, Gym/Classroom Blue Ridge Early College, SMHS Aux Gym AC and Plumbing:
    - Fairview Cafeteria: \$4,000,000
    - Gym/Classrooms BREC: \$5,000,000
    - Aux Gym SMHS AC Additions and Plumbing Replacement: \$2,500,000
  - Total \$11,500,000
  - To be funded with debt
- (m) Article 40 and 42 Sales Tax:
- (n) Short Term Capital – Public Schools:
- Continue funding from FY 2019-2020
  - Funded from Article 40 and 42 Sales Tax

<u>Description</u>	<u>Amount</u>
General Capital	\$235,000
Security System Replacements	\$25,000 New
Preventative Maintenance	\$375,500
Technology Funding	\$400,000
One to One Initiative	\$320,700
<b>Total</b>	<b>\$1,356,200</b>

General discussions were held.

(o) Major CIP – Public Schools Funding Capacity for FY 2020-2021:

<b>Funding Source</b>	<b>Amount</b>
FY 2019-2020 Article 40 and 42 Balance	\$1,438,200.58
FY 2020-2021 Article 40 and 42	\$655,059.15
FY 2019-2020 Article 46 Balance	\$1,143,620.41
FY 2020-2021 Article 46	\$751,081.75
<b>Total:</b>	<b>\$3,987,961.89</b>
<b>FY 2020-2021 Capital Request</b>	<b>Amount</b>
Scotts Creek Slope Stabilization	\$1,000,000.00
Single Entry Points and Egress Courtyards	\$2,500,000.00
<b>Total:</b>	<b>\$3,500,000.00</b>
<b>Balance:</b>	<b>\$487,961.89</b>

Mr. Adams stated that he followed up with the Board of Education regarding creating some type of funding formula. He and Ms. Fox discussed different scenarios and used Haywood County Schools as a model. They pulled together several examples and met with school administration. They were concerned that they had been depleting their fund balance through the years and had a need for teacher supplements and had uncontrollable costs. They had a potential shift of ADM numbers as well that would have impacted that year’s allocation. At that point, he was unsure there was an avenue through administration to come up with a funding formula they all agreed upon.

General discussions were held.

Chairman McMahan stated that he thought there may be a way, if they really wanted to ever get to some type of formula. It would be a very detailed formula and it would not be tied to just one factor. He suggested to tie it to the revaluation years of the county because the values would not change for that time period. They could then have a consistent base amount with a growth factor, which would be reevaluated.

Mr. Adams stated that the conversations with school administration were good, but he did not see an avenue for that year.

Commissioner Woody stated that they were fortunate to have the positive and cooperative relationship with the School Board, that was not true in all counties.

*Informational item.*

**(7) ADDITIONAL COMMISSIONER BUDGET PRIORITIES/DIRECTION:**

(a) Chairman McMahan stated that he wanted to clarify for the Board. He made some comments and may have misstated some actions that were getting ready to take place in reference to the Balsam Center with Vaya. He thought he stated that the Balsam Center as a whole was closing, but what was really closing was the Behavioral Health Urgent Care portion of the center.

There were three services based in the Balsam Center facility, as best he understood. One of the services was the after-hours Behavioral Health Urgent Care, which was a 23 chair waiting facility for people that came in after-hours to be housed and held there until they could find placement either in Balsam Center or one of the other institutions managed by Vaya.

He attended the Vaya meeting the day before. The cuts were going to occur in one month and the target date for the closing of the urgent care portion was April 1<sup>st</sup>. There was some discussion regarding a chance that counties may backfill the monies that was being lost. He was asked to be prepared to discuss with other counties about finding funds to keep that portion of the facility open. He thought the number was around \$360,000 total.

He made it clear to the folks he had the discussions with that he was interested in having the conversation, but he would have to see a lot of numbers before he could be in a position to make a decision. They needed to know how many people utilize the facility after hours from Jackson County. Would they be paying for a service that would be filled by other counties? Also, how would it be equitably distributed among counties?

He did not know what the number would be that they would be asked to pay, if they wanted to be a part of the conversation, but it could be an annual budget drive. He was also concerned about accepting responsibility to fund something that the state had stopped paying. He thought they had to be cautious and there were a lot of questions. He wanted them, as a Board, to think very thoughtfully as they decided whether or not they wanted to give that type of money and what kind benefit did it really have for the community.

General discussions were held.

*Informational item.*

(b) Mr. Adams requested to schedule a special budget meeting for Cashiers-Glenville Volunteer Fire Department and the Cullowhee Volunteer Fire Department to appear before the Board. Cashiers-Glenville needed to renew their contract with the county. Cullowhee was looking to go into some type of full-time arrangement with full-time employees, which would drastically increase the cost. They wanted to discuss a new potential fire tax.

**Consensus:** *Set special budget meeting for March 18<sup>th</sup> at 3:00 p.m. at the Justice Center, Room A227.*

(c) Commissioner Woody stated that a priority she had was to see a plan for the Dillsboro River Park.

Chairman McMahan stated that the county paid Equinox to develop a river park plan in Dillsboro. It showed a park with the dam and a park without the dam to be paid for, owned and operated by the county.

Mr. Adams stated that he would get the plan to Commissioner Woody.

Commissioner Woody stated that she thought these were two important hubs in the community, where the river was so beautiful, in Cullowhee and Dillsboro. If they did the parks together as a project, it would be celebrating the use of the river as a wonderful part of the community.

Mr. Adams stated that the plan was for an access park. There had also been other concepts about some type of river park. If they were talking about doing a basic park, that would fall within the realm of the CPR Fund and could be done in a relatively short period of time.

General discussions were held.

Chairman McMahan requested that Mr. Adams have an item on a future work session for the Dillsboro Park so they could review the plans.

*Informational item.*

There being no further business, Commissioner Woody moved to adjourn the meeting. Commissioner Mau seconded the Motion. Motion carried and the meeting adjourned at 4:15 p.m.

Attest:

Approved:

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Angela M. Winchester, Clerk to Board

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Brian Thomas McMahan, Chairman