

**MINUTES OF A
WORK SESSION
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
APRIL 11, 2017**

The Jackson County Board of Commissioners met in a Work Session on April 11, 2017, 1:00 p.m., Justice and Administration Building, Room A227, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Brian McMahan, Chairman
Charles Elders, Vice Chair
Boyce Deitz, Commissioner
Mickey Luker, Commissioner
Ron Mau, Commissioner

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

Chairman McMahan called the meeting to order.

(1) PUBLIC SCHOOLS: Present for discussions: Dr. Michael Murray, Superintendent; Dr. Kim Elliott, Associate Superintendent; Ken Henke, School Board Chairman; Ali Laird-Large, School Board Vice-Chair; Gwen Edwards, Finance Officer; David Proffitt, Director of Technology; and Darin Allison, Director of Capital Projects and Facilities.

Jackson County Public Schools (JCPS) Budget Planning:

(a) Historical county appropriations for operations: County appropriations had not changed in the last six years:

<u>Year</u>	<u>Total Funding</u>
2016	\$6,779,482
2015	\$6,779,482
2014	\$6,779,482
2013	\$6,779,482
2012	\$6,779,482
2011	\$6,779,482

(b) Increased benefit rates: These increases continue to drive up cost of locally paid positions:

<u>Year</u>	<u>Retirement</u>	<u>Hospitalization</u>
2018 Estimate	17.33%	\$5,880
2017	16.33%	\$5,659
2016	15.32%	\$5,471
2015	15.21%	\$5,378
2014	14.69%	\$5,285
2013	14.23%	\$5,192
2012	13.12%	\$4,931
2011	10.51%	\$4,929

(c) Unfunded legislation K-3 class size: K-3 class requirements:

- Kindergarten Minimum 1:18 Maximum 1:21
- First Grade Minimum 1:16 Maximum 1:19
- Second Grade Minimum 1:17 Maximum 1:20
- Third Grade Minimum 1:17 Maximum 1:20

- Example: A school with 45 third graders would need 3 teachers to meet the new requirements, although, the allotment formula would generate only 2.65 teaching positions.
- JCPS would need to locally fund an additional 11 positions starting in August, 2017.
- Approximate cost \$610,741

(d) Digital learning initiative:

- In 2012, the county’s ratio of students per computing device was 1 device per 2.75 students, ranking 113 out of 115 NC schools districts.
- In 2016, the county had a ratio of 1 device per 1.58 students and anticipates meeting the state average ratio of 1 device per 1.20 students by June, 2017.
- From 2014 to 2017 the computer inventory more than doubled to over 5,000 computers (desktops, laptops, and 1-to-1 computers).
- JCPS would need to hire 3 Instructional Technology Facilitators and 1 Technology Technician to successfully support the initiative.
- Approximate cost \$254,500.

(e) Academic achievement:

<u>Assessments</u>	<u>JCPS Grade Level Proficiency</u>	<u>NC Grade Level Proficiency</u>	<u>Western Region Ranking</u>	<u>NC Ranking</u>
All EOG & EOC	54.30%	58.30%	13 out of 14	70 out of 115
All EOC	55.90%	58.50%	10 out of 14	57 out of 115
All EOG	53.80%	\$58	14 out of 14	75 out of 115
All Math EOG	46.70%	\$55	14 out of 14	85 out of 115
All ELA EOG	54.60%	\$57	13 out of 14	58 out of 115
All Science EOG	71.10%	\$73	12 out of 14	68 out of 115

(f) Need for MTSS support: JCPS believed every child could learn and achieve.

- NC Multi-Tiered System of Support (MTSS) was a framework which promotes school improvement through engaging, evidence-based academic and behavioral practices. NC MTSS employs a systems approach using data-driven problem solving to maximize growth for all.
- JCPS will need to fund 6.5 additional positions to implement and support this initiative including school-based intervention specialists.
- Approximate Cost \$343,165.

(g) Lost funding to WCU Lab School: The Catamount School will operate as a public school of choice, with a mission to improve student performance and provide exposure and training for teachers and principals to successfully address challenges existing in high-needs school settings. Under this legislation, lab schools must be located in public school districts where at least 25 percent of schools have been classified as low-performing, based on student achievement data.

- All state categories will lose funding for the number of students enrolled in the lab school, as well as the county funding that will be diverted to the lab school (similar to charter schools).
- JCPS will need 3 teaching positions to be funded locally to replace the positions lost to the lab school.
- Approximate Cost \$158,500.

(h) Historical salary increases for non-certified employees:

School Year	Salary Increase
2016-17	1.5% increase, one-time bonus not subject to retirement 0.5%
2015-16	No increase, one-time bonus not subject to retirement \$750
2014-15	\$500/year, \$50/month for 10 month employees, \$41.67/month for 12 month employees
2013-14	No increase.
2012-13	1.2% increase
2011-12	No increase
2010-11	No increase
2009-10	No increase
2008-09	2.75% increase
2007-08	3% increase

(i) Local supplement teachers and non-certified employees:

- \$422,592 received each year to fund a 2% local teacher supplement.
- Many school districts offer a higher supplement for both certified and non-certified employees.
 - Haywood: 2% non-certified; 4.5-5% certified based on longevity.
 - Buncombe: 10.77% non-certified; 8.5-13% certified based on longevity.
- \$816,000 was needed to pay an average of 3.5% local supplement for all permanent full-time positions.
- Approximate cost \$393,408.

(j) Local supplement principals and assistant principals: Strengthening school leadership was the best strategy for improving the schools and creating a positive impact on student success.

- NC was ranked 50th in the Nation for principal and assistant principal pay.
 - While teachers have seen slight increases over the last few years, principal and assistant principal salaries have been neglected.
 - All current assistant principals and two principals were being paid on the teacher pay scale because it was higher than their own pay scale.
- JCPS local supplement for administrators:
 - Principals receive 2% -7% based on contract years.
 - Assistant principals currently receive no supplement.
- The district was proposing a revised supplement plan to adequately compensate the school-based administrators and help with recruiting and retaining quality leadership.
- Approximate cost \$ 423,000.

(k) Encourage professional growth:

- Hiring highly qualified teachers in areas such as Special Education, Math and Science continue to be a challenge for school districts in NC.
 - The district would like to offer a one-time \$750 bonus to current teachers who add hard to staff areas to their existing license.
 - Eligible teachers will commit to teaching for JCPS for 3 years.
- Effective August 2013, the state no longer compensates educators for earning an advanced degree not required for their positions.
 - Classroom teachers holding a Master's degree or above can only be paid at the bachelor level.
 - As a recruitment and retention effort, JCPS would like to pay these educators for earning advance degrees.
- Approximate Cost \$46,000.

(l) Historical county appropriations for capital funding: Article 40 and 42 sales tax:

	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>
Capital Outlay	\$9,000,000 (QZAB)	\$1,410,810	\$396,180	\$7,844,106
Technology and 1:1 Project	\$720,700	\$720,700	\$681,000	\$250,000
Preventative Maintenance	\$75,000			
Maintenance	\$235,000	\$235,000	\$235,000	\$235,000

(m) Continued capital funding:

- General capital \$235,000 (day to day capital needs)
- Preventative maintenance \$75,000
- Technology funding \$400,000
- One to One Initiative \$320,700

(n) Increase funding preventative maintenance: The goal was to be proactive when planning facility maintenance to avoid problems experienced in recent years with roofs and HVAC.

- Increase preventative maintenance funding for a total of \$86,000.
 - Switch gear/electrical panel annual maintenance.
 - Water heater replacement rotation.
- Manufacturer approved roof maintenance program \$290,500.
- Approximate cost \$375,500.

(o) Increase capital funding – top three priorities for each facility: Facility needs in addition to QZAB projects:

- Cullowhee Valley:
 - Upgrade fire alarm
 - Replace non-ADA water fountains
 - Replace bathroom tops and sinks
- Fairview Elementary:
 - Upgrade fire alarm and intercom system
 - Install panic lever hardware on egress doors
 - Install ADA bathrooms
- Scotts Creek School:
 - Replace carpet safety issues
 - Replace shutoff valves for water
 - Replace boiler/chiller pumps
- Smokey Mountain Elementary:
 - Upgrade fire alarm
 - Repair sewer line
 - Replace panic lever hardware on egress doors
- Blue Ridge School and BREC:
 - Install door panic levers
 - Install ADA bathrooms
 - Re-key facility
- School of Alternatives:
 - Upgrade fire alarms
 - Replace covering exterior walkways
 - Upgrade panic door hardware
- Smoky Mountain High School:
 - Repair leaking inline pump Science Building
 - Install drop ceiling Building B
 - Cover student sidewalk to buses

- Transportation:
 - Insulate building
 - Replace single pane windows
 - Outside storage for air compressors
- Approximate cost \$1.4 mil
- (p) Fund balance history:
 - 2004 \$1,558,156
 - 2005 \$1,573,743
 - 2006 \$1,247,638
 - 2007 \$754,745
 - 2008 \$380,066
 - 2009 \$1,178,220
 - 2010 \$2,299,015
 - 2011 \$3,448,668
 - 2012 \$4,113,326
 - 2013 \$4,397,067
 - 2014 \$4,263,568
 - 2015 \$2,805,781
 - 2016 \$2,565,769
 - 2017 \$1,838,012 (estimated)
- (q) The importance in maintaining fund balance:
 - In March 2016, the district was awarded a Golden Leaf Grant in the amount of \$850,000.
 - Like many grants the Golden Leaf Grant was a reimbursement-type grant. Without a sufficient available fund balance, the school district would be forced to decline this type of grant funding.
 - The state budget was generally not passed until well after the county's budget had been finalized. LEAs must be prepared to fund any deficiency in state funding. For example, actual benefit cost may be higher than estimated.
- (r) Partnership for 2018 operating expenditures: A better education for JCPS students was only possible through collaboration between the Commissioners and the Board of Education:
 - Jackson County \$1.9 mil.
 - JCPS \$1 mil.
- (s) 2018 request summary:
 - Additional operational budget funding:
 - 14 classroom positions
 - Increase teacher supplement
 - Non-certified employee supplement
 - Principal/assistant principal supplement
 - Bonus for adding certification areas
 - Advance degree supplement
 - 3 Instructional Technology Facilitators
 - 1 Technology Technicians
 - Additional capital budget funding:
 - Increase preventative maintenance
 - Manufacturer approved roof maintenance program
 - Top three safety/ADA priorities

(t) SMH athletic fields:

- Softball field: A softball field will fit in the newly proposed location beside Fairview Road, based on measurements provided by the JCPS Athletic Department. The field would be oriented similar to Option 6 of the concept drawings that was submitted to the Commissioners during the February 13, 2017 work session. This design would require excavation to be completed and an engineered retaining wall to be constructed behind the home-plate back stop in order to have ADA compliance and access to the 1st base line side bleachers.
- Track: An eight lane 400 meter track will fit in the undeveloped space located at the end of the Gym and Performing Arts Building, based on measurements provided by the JCPS Athletic Department. This project may require additional excavation and an engineered retaining wall constructed near the bottom of the bank slope on the Fallen Barn Road side. A survey and design layout will be needed in order to confirm possible symmetry and the need of a wall.

Informational item.

(2) **SOUTHWESTERN COMMUNITY COLLEGE (SCC)**: Present for discussions: Dr. Don Tomas, President; William Brothers, Vice President for Financial and Administrative Services; and Dr. Marc Boberg, Director of Facility Services and Operations.

Southwestern Community College Budget Presentation April 11, 2017:

(a) Assumptions influencing budget requests:

- Budget affords the college sufficient monies for preventative maintenance necessary to avoid future large capital replacements.
- Reduction in capital budget was due to the college's effective utilization of prior year funds to fund capital projects.
- Operating budget increased 3% to account for escalation of utilities and potential salary increases for housekeeping/maintenance.

(b) 2017-18 budget requests:

2016-2017 Budget		2017-2018 Budget		% Change
Total operating budget	\$1,940,028	Total operating budget	\$2,002,725.17	3%
Total capital budget	\$1,405,670	Total capital budget	\$935,800	-33%
Total operating and capital	\$3,345,698		\$2,938,525.17	-12%
Net reduction in request			(\$407,172.83)	

(c) Operating expense detail:

<u>Expense Category</u>	<u>Expense Detail</u>
Management operations, salaries and benefits	\$1,151,552
Utilities and supplies	\$574,370
Insurance	\$171,603
Software, maintenance and general expenses	\$105,200
Total	\$2,002,725

(d) Capital requests detail:

<u>Capital Category</u>	<u>Capital Detail</u>
General maintenance and building upkeep	\$395,900
Parking lot site prep and completion	\$314,900
Maintenance building completion costs	\$225,000
Total	\$935,800

(e) Outdoor firing range: All memorandums of agreement had been signed so they could start the process of doing the lead mitigation. They had quotes from multiple well drillers with funding available based on the allocation from the county to initiate drilling. He had reached out to validate that the quotes were still good for wells. As soon as he received the validation, they would coordinate with TWSA, since two of those sites were on the wastewater site and start the drilling of the monitoring wells.

They were also in the selection process for a civil engineer that would design the remainder of the best practices to mitigate the lead issue. The SCC Board of Trustees would make the final decision on the civil engineer, which should happen later in the month. Once the designs were complete, they could determine the cost for all of the mitigation. This was operating as a separate line item from the regular budget and they may not have exact numbers by the end of the county's budget cycle.

Informational item.

(3) CHARTERS OF FREEDOM DEDICATION PROJECT: Mr. Adams stated that Charters of Freedom requested to set a date for the ribbon cutting for the monuments at Freedom Park. The recommended date was May 19th.

Consensus: *Coordinate with Charters of Freedom to set the date for the ribbon cutting ceremony at Freedom Park on May 19th.*

(4) HARRIS EMS SCHEDULE CHANGE REQUEST: Mr. Adams stated that when Harris EMS gave the quarterly update, they made two budgetary requests. One request would turn a part-time shift into a full-time, which had a significant cost. The second request would be for a schedule change at an approximate cost of \$14,510. EMS inquired if the Board could proceed with this request before the budget was passed.

Consensus: *Place this item on the April 17th regular meeting agenda for consideration.*

(5) SPECIAL MEETING WORK SESSION: Mr. Adams requested a special meeting work session for capital projects.

Consensus: *Set a special meeting work session for capital projects on Wednesday, April 26th at 2:00 p.m. in Room A227.*

(6) MOUNTAIN PROJECTS: Present for discussions: Patsy Davis, Executive Director; Brenda Oliver, Board Member; Mark Swanger, Board Member; Gavin Brown, Board Chairman; Bill Upton, Board Member; Jennifer Abshire, Board Member; Elizabeth Feichter, Board Member; Amy Sims, Board Member; Commissioner Elders, Vice-Chair of the Mountain Projects Board; and Lynda Sossaman, Board Member.

A brief history of Mountain Projects:

(a) 1965:

- Chartered as a non-profit with a united partnership between Haywood and Jackson counties.
- Jackson County Commissioners provided a loan for the first payroll.

(b) Early 70's:

- Haywood Board of Commissioners provided the old Saunook School for an expansion location near the Haywood/Jackson line.

(c) Growth:

- Year 1 \$52,021
- Year 52 \$13,277,072

(d) Current numbers:

- 140 Current Staff.
 - 40 staff reside or work in Jackson County.
 - Jackson County office on Schulman Street.

- 1,800+ assisted with compliance with the Affordable Care Act.
- 31,000+ meals provided annually through Food Services.
- 200+ volunteers associated with agency programs.
- \$6,000,000+ spent in Jackson County
- (e) New office space:
 - Board Committee searched locations without success.
 - Decision to make offer for previous Health Department building on Asheville Highway.
 - \$325,000 potential purchase price (\$113,000 cost reduction).
 - County providing financing and project manager (employee of the county).
- (f) Challenges:
 - No current mortgage payment in budget.
 - USDA loan.
 - Minimal rehab cost - \$632,000.
 - Low overhead.
- (g) Supporting Mountain Projects:
 - Needs:
 - Funds to support relocation \$150,000.
 - Consideration of reoccurring funding comparable with Haywood County.
 - Current Support:
 - Haywood County:
 - Building reduction/ professional assistance/a potential financing option
 - In-kind and support beyond the building acquisition \$571,017.
 - Jackson County:
 - \$23,447.
 - Comparison:
 - Jackson County tax base: \$9,274,970,668
 - Haywood County tax base: \$7,338,000,000

The request of Jackson County was \$150,000 towards the endeavor. The Haywood County Commissioners would consider the request made to them at their April 17th meeting.

Consensus: *Place this item on the May 1st regular meeting agenda for consideration.*

(7) UNITED CHRISTIAN MINISTRIES: Frank Leonard, Chairman and Tim Jones, Board Member, presented United Christian Ministries (UCM) fact sheet:

- In 2016, UMC had 9,731 client contacts. 70% were 18 years or older, 30% were under 18 years old and 20% were over 65 years old.
- UCM gave out over 240,000 pounds of food with an additional 10,375 pounds in 415 Christmas food bags delivered to schools.
- UCM paid electric bills for 229 families totaling \$33,583.
- 22 families received \$4,315 for heating assistance.
- 54 families received \$9,575 for rent, preventing eviction.
- 49 received \$2,682 for medical assistance.
- Diapers/depends were given 298 times.
- Household items were given 1,595 times.
- Personal items were given 1,576 times.
- \$2,036 was paid to 24 families to assist with water bills.
- In addition to all the food donations, \$15,895 was spent for food, including meat vouchers at Thanksgiving and Christmas kid's food bags.
- Furniture was given to 25 families.
- Donated linens, blankets, bed covers and kitchen items.

- 410 families were given clothing.
- Transportation assistance totaling \$308 was given to 26 families.
- 221 individuals came to UCM for the first time during 2016.

A request was made for assistance from the county.

Informational item.

(8) SUMMARY OF NON-PROFIT REQUESTS FOR FY2017-18: Mr. Adams distributed the non-profit requests notebooks to Commissioners and requested they review the information provided.

Informational item.

(9) ECONOMIC DEVELOPMENT AGREEMENT BUDGET AMENDMENT: Ms. Fox requested to place a budget amendment for the Economic Development Agreement regarding water and sewer, on a regular meeting agenda.

Consensus: *Place this item on the April 17th regular meeting agenda for consideration.*

There being no further business, Commissioner Deitz moved to adjourn the meeting. Commissioner Elders seconded the Motion. Motion carried and the meeting adjourned at 3:58 p.m.

Attest:

Approved:

Angela M. Winchester, Clerk to Board

Brian Thomas McMahan, Chairman