

**MINUTES OF A
REGULAR MEETING
OF THE JACKSON COUNTY
BOARD OF COMMISSIONERS
HELD ON
MAY 21, 2024**

The Jackson County Board of Commissioners met in a Regular Session on May 21, 2024, 6:30 p.m., Justice and Administration Building, Room A201, 401 Grindstaff Cove Road, Sylva, North Carolina.

Present: Mark A. Letson, Chairman	Kevin King, County Manager
Todd Bryson, Vice Chair	John Kubis, Interim County Attorney (Via Zoom)
Mark Jones, Commissioner	Angela M. Winchester, Clerk to the Board
John W. Smith, Commissioner	
Tom Stribling, Commissioner	

Chairman Letson called the meeting to order.

(1) **PROCLAMATION HONORING OLDER AMERICANS**: Chairman Letson read a Proclamation to proclaim May as Older Americans Month. Commissioner Smith moved to approve the Proclamation. Commissioner Bryson seconded the Motion. Motion carried.

Eddie Wells, Council on Aging Director, was present to accept the proclamation.

(2) **AGENDA**: Commissioner Bryson moved to approve the agenda. Commissioner Stribling seconded the Motion. Motion carried.

(3) **MINUTES**: Commissioner Jones moved to approve the minutes of a Regular Meeting of May 07, 2024. Commissioner Stribling seconded the Motion. Motion carried.

(4) **CHAIRMAN'S REPORT**: Chairman Letson stated he met with about 75 people in Cashiers. He gave a summary of all things going on throughout the county. It was well received and there was a lot of interest from people on what they could do to help with foster care, etc.

(5) **COMMISSIONER REPORTS**: Commissioner Jones stated he was very impressed with the Grounds Staff of the county buildings. Kudos to Chad Parker and his folks for what they did.

(6) **COUNTY MANAGER REPORT**: None.

(7) **INFORMAL COMMENTS BY THE PUBLIC**: None.

(8) **CONSENT AGENDA**:

(a) Darlene Fox, Finance Director, presented the Finance Report for April, 2024 and one Budget Ordinance Amendment for fiscal year ending June 30, 2024, for approval.

(b) Brandi Henson, Tax Collector, presented the Tax Collector and Refund Reports for April, 2024, for approval.

Motion: *Commissioner Smith moved to approve the Consent Agenda. Commissioner Bryson seconded the Motion. Motion carried by unanimous vote.*

(9) JUVENILE CRIME PREVENTION COUNCIL (JCPC): Kerri Tucker, JCPC Board Member and Marcus Metcalf, Hawthorn Heights Executive Director, were present for this item.

Ms. Tucker presented selected programs, certification, membership list and proposed funding for FY24-25. The amount allocated from the state was \$128,439 with a county match of \$54,920. The plan detailed a breakdown of how the funds would be dispersed to each program:

- HIGHTS-Compass/Inside-Out CORE: \$73,997
- HIGHTS – Restorative Justice Options: \$25,037
- Hawthorn Heights: \$28,621
- JCPC Administration: \$784

Mr. Metcalf stated Heights had been serving the most vulnerable children and families in the county for 18 years. They specialized in partnerships with schools, social services and juvenile justice. They provided mental health services in the schools, including substance use prevention and treatment. Also, they provided workforce development programs and restorative justice. They were grateful for a collection of community stakeholders and the annual funding provided by the county.

General discussions were held.

Motion: *Commissioner Jones moved to approve the Programs, Certification, Membership List and Funding Plan for FY24-25, to include a county match of \$54,920.00. Commissioner Smith seconded the Motion. Motion carried by unanimous vote.*

(10) MEDICAID TOBACCO FREE POLICY: Anna Lippard, Health Director, stated she presented this item at the work session. She presented a final version of the Medicaid Tobacco Free Policy and requested consideration for approval. She noted the Board of Health was in full support of the policy.

Motion: *Commissioner Smith moved to approve the Medicaid Tobacco Free Policy, as presented. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(11) AFFORDABLE HOUSING DEVELOPMENT: Tiffany Henry, Economic Development Director; Sara VanLear, Project Manager, Development Finance Initiative; and Sara Odio, Assistant Director Housing and Revitalization were present for this item.

(a) Ms. Henry presented a letter from Rich Price, Chairman, Business and Industry Advisory Committee stating in part the committee regularly discussed topics that impede economic growth. The committee was aware of recent findings by the Development Finance Institute and the UNC School of Government specific to the county.

The Business and Industry Advisory Committee unanimously supported the consideration of financial investment from the Board of Commissioners to incentivize new housing development, demonstrating a strong correlation to supporting workforce development. Without such financial support where circumstances merit, the county would most certainly continue to have challenges in meeting the demands of current workforce needs, with very little hope of attracting new businesses and residents to support reasonable growth.

(b) Ms. VanLear presented: Opportunity Site Identification Findings:

- Phase I Opportunity Site Identification:
 - Stakeholder engagement goal: inform county’s priorities for affordable housing development.
 - Housing needs (market) assessment goal: determine demand for different housing types based on economic drivers and current housing supply.

- Site suitability analysis goal: identify sites that meet county’s priorities for future affordable housing development.
- High-level site and financial feasibility goal: for each site identified (up to 4), determine type and scale of housing development; and to estimate potential private funding sources and identify minimum funding gap for each scenario.
- Sample of stakeholders interviewed.
- What DFI heard from stakeholders about affordable housing priorities:
 - Limited housing stock created housing pressure for households of all income levels, as well as household types.
 - A desire for all housing types to meet a range of needs: rental and homeownership opportunities; high density apartments and low-density single-family homes.
 - Consistent support for affordable housing development across the public, nonprofit, education and private sectors.
- Housing takeaways:
 - Over 2,500 low-to-moderate-income (LMI) households in the county have housing needs and more than 1,200 of those households have severe housing needs.
 - Housing supply was constrained by seasonal-use units, low quality or off-market homes and student housing. These constraints have contributed to a market with low vacancy and rising prices. On average, the county’s largest municipalities have a vacancy rate below 1% and available rentals were affordable to households earning more than \$80,000/year. Today, households need an annual income of approximately \$163,000 to purchase the average home. Mobile homes make up a third of the naturally occurring affordable housing and more than 300 units were in a flood zone.
 - The number of LMI households with housing needs would likely grow based on the following demographic and economic shifts in the county: Net migration of out-of-state, higher income households; Economic growth driven by low-wage jobs
- High-level site and financial analysis:
 - Explored sites for multi-family rental and single-family homeownership affordable development types.
 - Financing challenge for affordable housing development: loan size and market rate equity.
- Identifying suitable sites. Criteria for site opportunity identification:
 - Within municipal boundaries and/or water/sewer service area
 - Topography: slope and outside flood 100- and 500-year flood zones
 - Current County/Municipal site control and/or potential path for site control
 - Multifamily: sites with 2+ acres; eligible for 4% and competitive for 9% Low-Income Housing Tax Credit (LIHTC)
 - Single family: sites with < 1 acre, appropriate for low density development; large property owners (25+ properties); multi-year tax delinquent developed and undeveloped properties
- High-level findings: 3-story multifamily LIHTC development:
 - 4-7 acres site size
 - Located close to amenities
 - Space for community amenity
 - No rezoning required for development
 - Requirement to proceed, site control
 - 90 to 60 units

- \$25 million (\$280,000 per unit) to \$16 million (\$270,000 per unit)
- Estimated financial gap \$12 million (\$135,000 per unit) to \$1 million (\$15,000 per unit)
- Single family site development:

<u>Estimated Costs</u>	<u>Estimated Totals</u>	<u>Estimated Investment Required</u>
Cost to acquire property (0.5 acre lot)	\$25,000	\$25,000
Cost to build affordable home (60% AMI)	\$295,000	<u>\$170,000</u>
Estimated total financial group, per unit		\$195,000

- Next steps: Site suitability analysis considerations for ongoing affordable housing efforts key considerations from suitable site search:
 - County and/or its municipalities own less than 1% of land (2,600 acres) and approximately 50% of that land was in use. Nearly half of publicly owned parcels intersect with a floodplain, restricting overall developability of publicly owned land.
 - More than a third of multi-year tax delinquent properties were likely heirs or estate properties. These sites may represent a source of underutilized parcels.
 - Landowners of 25 or more parcels do not represent near-term development opportunities.
 - These considerations could inform the county on the additional capacity and consistent resources needed to track and respond to site opportunities as they arise.
- If Phase 2 Pre-development scope was considered, next steps included:
 - Identify site(s) to pursue for affordable housing development
 - Approach property owner(s) regarding an option to purchase
 - With site control, begin Phase 2 feasibility analyses to determine development program and solicit development partner(s)

General discussions were held.
Informational item.

(12) CANADA VOLUNTEER FIRE DEPARTMENT: Mr. King presented a letter at the work session received from the Canada Volunteer Fire Department requesting to fully lease both sides of the building they currently leased located at 149 Charleys Creek Road, along with the assurance that the required repairs and upgrades would be carried out. Since the building also served the community, they would continue to host events and engage the community.

The county had engaged an architect about redoing some of the building infrastructure, along with making it more modern. He recommended approval for the fire department to be the agent to lease out the community room.

Commissioner Jones asked about the housekeeping component. What was the current plan for housekeeping?

Mr. King stated the county paid one individual to clean after each event, as rented.

Ms. Fox stated currently no fee was charged to rent the space. The county paid the housekeeping fee because it was a county building.

Mr. King suggested they charge a rental fee to cover the cost of housekeeping.

Motion: *Commissioner Smith moved to approve Canada VFD taking over the leasing of the building and empower them to charge a rental fee to cover the housekeeping cost, as recommended. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(13) FY24-25 PROPOSED BUDGET: Mr. King presented the proposed Fiscal Year 2024-2025 Annual Budget for the county and stated it was in the amount of \$93,803,495. The proposal constituted an approximate increase of 3.8% (\$3,434,937) over the current FY 2024 amended budget. The budget was balanced and prepared in accordance with the Local Government Budget and Fiscal Control Act, presenting appropriations by categories of expense and revenues by source. All proposals within the general fund were based upon a budget with a tax rate of \$0.38 per \$100 of value.

(a) Expenditures Highlights:

- 24.22% Education
- 25.28% Public Safety
- 20.27% Human Services
- 16.71% General Government
- 6.38% Cultural/Recreation
- 1.56% Non-Education Debt
- 2.41% Ec and Phy Dev
- 1.40% Transportation
- 0.19% Environmental Protection
- 1.60% Other/Contingency

(b) Personnel/Insurance: The proposed FY24-25 budget contained personnel recommendations. The recommendations included:

- One step (3.15%, 3.00% or 1.5% based on career path) increase for all employees.
- A 2% Cost of Living adjustment for all employees.
- Worker's Compensation and Liability Insurance.

It was recommended all employees move up one step in the current grade and step plan. This action was necessary to maintain the career path system. Approximately \$1,117,379 was budgeted to implement a one-step increase and a 2% Cost of Living Adjustment (COLA) included in the proposal.

There were several requests for salary reclassifications and new positions. The following were the recommendations:

- Administration: 1 FTE Public Information Officer. The position had been requested by multiple departments. Would be a part of administrative staff to be used by all departments.
- Health: 7 FTE would transfer positions from JCPS. 4 RN and 3 CNA positions. Increase nurse supervisor one grade due to increased responsibility. Increase Office Assistant II position from Grade 15 to Grade 16.
- Housekeeping: 1 FTE Housekeeper for the new Aquatic Center.
- Human Resources: Reclassification of Employee Benefits Administrator position from Grade 22 to Grade 24.
- Jail: Detention Officer reclassification from Grade 20 to Grade 21. Retention/Recruitment Program.
- LPA: 1 FTE for training position. Increased transition total warrants the increase of one additional employee.
- Maintenance: 1 FTE General Maintenance Worker for new Aquatic Center. 2 FTE General Maintenance Worker – special projects.
- Sheriff: 2 50% BLET Cadet Program.
- Social Services: 1 FTE Income Maintenance Supervisor II. 1 FTE Social Worker III.

Hospitalization/dental insurance premiums would increase by 2%. The employee rates would remain the same. Worker's Compensation Insurance would increase by 3%. Liability Insurance would increase by 3%.

(c) Capital and Capital Improvements: There were capital and capital improvement needs in the amount of \$5,782,539 that should be addressed in FY24-25. The recommendations were as follows:

- Equipment: \$1,320,335. Highlights under this category included computers, servers, printers, software, garage equipment, cleaning equipment, grounds maintenance equipment, recreation equipment, law enforcement radios, cameras, body scanner and emergency communication equipment. It was recommended the majority of these expenses be delayed until after the audit was complete.
- Vehicles: \$1,078,504. Highlights under this category included \$472,000 for eight new vehicles at the Sheriff's Office and \$20,000 for painting and decal updates; \$144,955 for a Jail Transport Van; \$51,559 for Ground Maintenance replacement vehicle; \$105,000 for a Transit Van; \$112,000 for two Transit Mini Vans; \$58,990 for two replacement Environmental Health vehicles; \$54,000 for a high-top Van for Recreation; and \$60,000 for two Social Service vehicles.
- Improvements: \$3,383,700. Highlights under this category included Cashiers Library, Cashiers Recreation Center, Jail and Sylva Library HVAC upgrades; Department on Aging painting/staining; ESC roof; Mark Watson Park road and parking upgrades and Tennis Court repairs; Cashiers Recreation upgrades and architect fees for building expansion; Cullowhee Recreation Complex upgrades, including Bermuda Sod and paving; Fairview Complex LED lighting upgrade for one field; Andrews Park paving; and various other park upgrades. A 10-year Comprehensive Recreation Masterplan was also recommended.

(d) Board of Education:

- Current Expense: It was proposed to allocate \$10,106,437 (a 2% increase of \$188,352) to the public schools for FY24-25. This included \$8,087,118 for current operations, \$150,557 for Timber Receipts, \$898,569 in teacher supplements and \$469,721 for counselors. In addition, it was recommended to transfer the school nurse program to the Health Department. He also recommended a one-time allocation of \$500,472 for CEP lunches at all schools to be funded from Fund Balance.
- Capital: 40% of the Article 40 (½ cent) sales tax and 60% of the Article 42 (½ cent) sales tax go to public schools for capital. In FY24-25 the following items were proposed to be funded:
 - Capital Outlay: 335,000
 - Capital Outlay Technology: 400,000
 - Capital Outlay One to One: 320,700
 - Capital Outlay Maintenance: 375,000 preventative maintenance
 - Capital Outlay Security: 25,000
 - Total: \$1,455,700

It was recommended to budget an additional \$2,735,546 for public school capital expenditures in FY24-25 out of Articles 40 and 42 sales taxes. It was also recommended to budget an additional \$2,777,885 out of the Article 46 sales tax fund to be used for educational purposes. These sales tax funds, future grants and available lottery proceeds would dictate the outcomes of Public Safety Schools' FY2025-2029 Facility Capital Improvement Plan.

(e) Southwestern Community College (SCC): It was proposed to allocate \$2,714,830 (a 3% increase of \$79,073) to SCC in current operations for FY24-25.

The proposed general maintenance capital outlay appropriation was \$734,410 and \$83,000 for incidental repairs.

(f) County Libraries: It was proposed to allocate \$1,382,634 (a 2% increase of \$40,263) to the Fontana Regional Library System to operate both the Jackson County Library and the Albert Carlton Library.

(g) Other Appropriations: Safety-Fire, Forestry, Rescue, EMS:

- It was proposed that Canada, Savannah and Balsam Volunteer Fire Departments and the Glenville-Cashiers and Jackson County Rescue Squads receive a 2% increase in allocation. Glenville-Cashiers Rescue Squad had an additional funding amount of \$15,000 for a new substation. Matching funds would be available for equipment purchased under grant funding.
- Cullowhee Fire Department was being funded at \$1,125,550. This amount included a 2% increase. This would enable the department to continue to have paid members on staff 24/7. Mutual aid was provided to other departments within the county.
- Qualla Fire Department was being funded \$233,141. The appropriation included a 2% operational increase. Due to the volume of calls, the Department asked for a full-time position of Fire Chief.
- Sylva Fire Department was being funded at \$987,602. This amount included a debt reduction of \$102,070.56, then a 2% increase. This would enable the department to have paid members on staff 24/7. Mutual aid was provided to other departments within the county. The proposed funding amount provided enough funding for 8 full-time fire personnel. Since this was a town department, the Town of Sylva could choose to add additional personnel by adding town funds to the operations.
- It was proposed that the Forestry Service receive funding of \$136,785, as requested. This represented a \$37,129 increase.
- A debt payment of \$350,000 was being recommended for a new Glenville-Cashiers Rescue Squad facility at a cost of \$4,500,000.

(h) CDC and Non-profits: It was proposed the Community Development Center funding increase to \$5,000 due to increased operational costs.

It was proposed that most nonprofits be funded at the current FY23-24 levels. An increased was proposed for the Community Table, Cullowhee Revitalization and HERE Program. Mountain Projects request of \$1,500,000 for Webster Village Partnership had been recommended to be funded over a two-year period. \$750,000 was included in the proposal.

(i) Contingencies: There were multiple contingencies recommended in the proposed budget:

- \$280,799 in contingency for general purposes.
- \$1,194,605 for equipment purchases. This was part of the overall equipment budget discussed earlier that could be delayed until the audit was received.
- \$25,000 for internship/work programs.

(j) American Rescue Plan Act (ARPA): Remaining and future funds in these programs would be expended for programs to be decided upon on a case by case basis.

(k) Special Fund Highlights: These funds were separate operating entities from the general fund budget. The general fund budget included transfers to some of these other funds in the amount of \$11,651,218 to support capital projects, recreation and conservation, debt service, the green energy park, economic development, revaluation and school capital reserve. There were additional personnel and capital recommendations in the following summaries:

- **Solid Waste Enterprise Fund:** The Solid Waste FY24-25 proposed operating budget was \$5,471,019.61. The proposal constituted an approximate increase of 4.95% (\$258,197.61) over the current FY23-24 amended budget. The enterprise fund was funded completely from fees collected for services. Employees within this Fund would receive a one-step pay increase and 3% cost of living adjustment. There were no other major operational changes proposed for FY24-25. He did not propose an increase in availability fees for the operation.
- **Emergency Telephone (E911) Fund:** The E911 FY24-25 proposed operating budget was \$228,779. The proposal was a decrease from the current FY23-24 amended budget. These operations were funded completely through E911 fees. There were no major operational changes proposed for FY24-25.

- Real Property Revaluation Fund: The proposed FY24-25 revaluation operating budget was \$658,682. The proposal constituted a 9.6% increase over current year operations. Employees within this Fund would receive a one-step pay increase and a 2% cost of living increase. This was the third year of the four-year revaluation cycle that began during FY21-22. Contracted services had increased for oversight in the revaluation process. There were no major operational changes proposed for FY24-25.
- Green Energy Fund: The FY24-25 proposed budget was \$347,133. The proposal constituted a 4.71% (\$15,617) increase in funding over current FY23-24 budget. Employees within this Fund would receive a one-step pay increase and a 2% cost of living adjustment. There were no major operational changes proposed for FY24-25.

Economic Development fund: The FY24-25 proposed budget was \$265,973. The proposal constituted an approximate decrease of 15.86% (\$50,135) over the current FY23-24 amended budget. The employee within this Fund would receive a one-step pay increase and a 2% cost of living adjustment. A Housing Plan Phase II had been proposed for FY24-25.

- Fire Tax Fund: This Fund included both the Highlands Fire and Rescue Operations and the Cashiers-Glenville Volunteer Fire Department.
 - The Highlands Fire and Rescue proposed FY24-25 budget was \$84,000. The proposal constituted the same level of funding from current FY23-24. The current fire tax rate of \$0.0272 per \$100 value would provide the revenues necessary to cover expenses.
 - The Cashiers-Glenville Volunteer Fire Department proposed FY24-25 budget was \$1,991,956. This proposal constituted a 4.6% (\$87,652) increase from the current FY23-24 amended budget. The current tax rate of \$0.0294 per \$100 value would provide the revenues necessary to cover expenses.
- Other Funds: This category included other funds such as the Capital Reserve Fund, School Capital Reserve Fund (19 and 20), Economic Development Fund (23, 42 and 64), Community Development Fund, Law Enforcement Fund, Conservation Preservation Recreation Fund, Debt Service Fund, Clean Water Revolving Fund, Airport Authority Fund and all active funds.

(l) Fee Schedules: The county operated many services that relied on fees to offset the cost of operations. These fee schedules applied to both the general fund and other fund operations. The fee and rate schedule included the following: Mileage reimbursement rate; Hospital/Dental Insurance Rates; Recreation Center Fees and Charges; Pool Fees and Charges; Senior Center Participants Fee Schedule; Permitting and Code Enforcement Fees; Planning Fees; Health Department Fees; and Solid Waste Fund Fees. It was recommended adjustments be made to the following fee schedules:

- Recreation Department Fees
- General Reimbursement Rate for travel would be established using the current NCOSBM rate schedule
- Mile rate was recommended to increase to the 2024 IRS rate of 67 cents per mile.
- Hospital/Dental Rates – The county’s contribution for employees would increase by 2%. Employee rates would remain the same.
- Solid Waste Availability Fees may remain the same.
- Other minor changes in departmental fee and rate schedules were included in the proposal.

(m) Closing: The public hearing was scheduled for June 04, 2024 at 5:55 p.m. in regards to the proposed budget. The public would be able to examine the proposed budget on the county’s website and hard copies would be available for inspections at the Administration and Finance Departments. The budget was tentatively scheduled to be approved at a Commissioners’ meeting in June, 2024, after the Board had the opportunity to make any final adjustments.

He extended his appreciation to all county employees who worked extremely hard to provide the necessary services that made Jackson County a great place to live. He also extended his thanks to the department heads, elected officials and other representatives for their cooperation in fashioning their budget requests to the required specifications and timelines. Last, but by no means least, he thanked Finance Director Darlene Fox and her staff for their tireless effort and attention to detail over the budget development process.

Chairman Letson thanked everyone for all their hard work.

Informational item.

(14) AGRICULTURAL ADVISORY BOARD: Recommendations were submitted by Barry Stevens, Soil and Water District Manager.

Motion: *Commissioner Bryson moved to reappoint John Brown, Charles Fowler and Chet Stephens to serve additional three-year terms on the Agricultural Advisory Board. Commissioner Stribling seconded the Motion. Motion carried by unanimous vote.*

(15) CHILD FATALITY PREVENTION TEAM: Recommendations were submitted by Anna Lippard, Chairperson, Child Fatality Prevention Team.

Motion: *Commissioner Jones moved to appoint Meagan Cagle and Ronnie Ferris to serve on the Child Fatality Prevention Team. Commissioner Bryson seconded the Motion. Motion carried by unanimous vote.*

(16) HISTORIC PRESERVATION COMMISSION:

Motion: *Commissioner Stribling moved to reappoint Jane Eastman and Bill Crawford to serve additional three-year terms on the Historic Preservation Commission. Commissioner Bryson seconded the Motion. Motion carried by unanimous vote.*

(17) RECREATION AND PARKS ADVISORY BOARD: Recommendations were submitted by Michael Hopkins, Parks and Recreation Director.

Motion: *Commissioner Smith moved to appoint Matthew Tornow to serve a three-year term on the Recreation and Parks Advisory Board. Commissioner Jones seconded the Motion. Motion carried by unanimous vote.*

(18) PRESS CONFERENCE: None.

(19) CLOSED SESSION:

Motion: *Commissioner Stribling moved that the Board go into closed session pursuant to G.S.143-318.11(a)(3) Legal G.S.143-318.11(a)(5) Real Property. Commissioner Smith seconded the Motion. Motion carried.*

Chairman Letson called the regular meeting back to order and stated no action was taken in closed session.

There being no further business, Commissioner Bryson moved to adjourn the meeting. Commissioner Stribling seconded the Motion. Motion carried and the meeting adjourned at 9:09 p.m.

Attest:

Angela M. Winchester, Clerk to Board

Approved:

Mark A. Letson, Chairman