



NORTH CAROLINA MOUNTAIN TOWNS OF CASHIERS,
CHEROKEE, DILLSBORO AND SYLVA

MINUTES

**Jackson County Tourism Development Authority
Board of Directors Specially Called Meeting
July 31, 2019 (Wednesday), 1:00 p.m.
Cashiers Area Chamber and Visitor Center
202 U.S. Hwy 64 West, Cashiers, NC 28717**

Call to Order/Roll Call

This Special Called Meeting is for the sole purpose of consideration of transition of staff from County to TDA employee. Chair Ann Self called the meeting to order at 1:00 p.m.

- **Members in attendance:** Executive Director Nick Breedlove; Ann Self, Chair; Laura Bowers, Vice-Chair; Board Members Kathy Korb, Brad Herman, Jay Grissom, Megan Orr (arriving after roll call), Bob Williams, Dale Collins, Julie Spiro, Darlene Fox (by phone)
- **Members absent:** Andrew Harlfinger, Stephanie Edwards, Ron Mau
- **Others in attendance:** Heather Baker, Jackson County Attorney (by phone); Caleb Sullivan; Debbie Coffey, Minutes Clerk

Approval of Agenda

A copy of the amended agenda was provided prior to the meeting.

MOTION: Dale Collins moved to approve the amended agenda; Jay Grissom seconded. Motion carried.

Introduction of HR/Personnel Proposal

Based on industry trends, the results of research provided by Young Strategies, and following adoption of the TDA Strategic Plan, the Executive Committee met on July 24, 2019 for discussion of transitioning TDA staff from Jackson County employees to TDA employees. A written brief outlining the benefits of the transition was provided to all board members prior to the meeting. Ms. Self outlined these benefits and cost savings to the board. To establish the necessary framework for this transition proposals have been received for:

- Human Resources services from Craft HR (at a cost of \$7,105 for the first year and \$4,320 ongoing),
- Payroll services from Platinum Group (at a cost of \$2,152.36 annually),
- Insurance benefits from Stanberry Insurance (at an estimated cost of \$13,371 annually, realizing an approximately \$12,269 annual savings over the current cost), and
- Retirement accounts would continue with the NC Local Governmental Employees' Retirement System (continuation in the same program would be a neutral cost).

The estimated annual cost saving is \$1,811.64.

Benefits of making this transition will allow the TDA to be flexible to respond to industry opportunities and threats, be competitive in compensation to retain and recruit the highest level employees, and be able to respond to changes in an expedient manner, especially as related to accomplishing the goals and objective of the strategic plan. Based on the Jackson County Commissioners approval of this proposal, the transition would be effective on September 1, 2019.

Discussion of Accounts Payable, Budget, and Finance Matters

Ms. Fox and Attorney Heather Baker both reiterated that a cash flow problem could be realized during FY 19/20 and may continue into 20/21 due to High Hampton being offline six months longer than initially projected. Mr. Breedlove summarized that during December, 2018, discussions were held about cash flow with the Executive Board and at the time, it was recommended by Finance Officer Darlene Fox to utilize fund balance as opposed to an occupancy tax increase, however, since then, High Hampton announced they would be closed for a longer period of time than initially projected. Breedlove identified areas in the budget for reductions to help offset the short fall and noted an increase in occupancy tax may be considered in the future.

The board also discussed the potential to take over accounts payable and other related financial duties from the county as requested by County Manager Don Adams. The TDA Board's consensus was to have these items remain under the auspice of the County Finance Officer. The TDA would like to enter into a Memorandum of Understanding between the county and TDA to allow Ms. Fox to continue to manage Accounts Payable services. Currently occupancy tax revenue is remitted to the TDA account on a monthly basis but may be remitted quarterly following the transition. Breedlove noted this could present further cash flow issues if occupancy taxes were remitted quarterly.

If County Commissioners approve the HR transition proposal at their August 6th meeting, then the Executive Committee would finalize a compensation structure and benefits package at their meeting to be held on August 14th. The final proposal will be brought to the TDA full board at the August 21st meeting.

Questions and Answers

Dale Collins commented that the TDA has experienced rapid growth within the last few years and by having more autonomy, allows our county to be taken more seriously in the tourism industry. Mr. Breedlove requested that the minutes reflect that Ron Mau was forwarded a copy of the proposal and had no issues with the proposal. He did ask if a local payroll company had been considered, and when presented with the estimate from the local firm, was in agreement the choice of the Asheville based firm was warranted. Andrew Harlfinger also reviewed the proposal and is in full support of it.

Motions

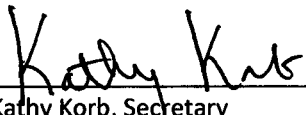
MOTION: Laura Bowers moved to approve, contingent on County Commissioner approval, the transition of all TDA employee positions including, the Executive Director position and the future hire of Sales and Marketing Manager to be employees hired and managed by the TDA and to no longer be County Employee positions with an effective date of September 1st. Dale Collins seconded. Motion carried.

MOTION: Laura Bowers moved to allow Executive Committee and Finance Officer approval to setup all necessary structures of benefits, human resources, payroll and associated items necessary for the transition and to allow the TDA Chairman to sign these initial contracts with approval of the Executive Committee and Finance Officer and without full Board approval, due to time constraints, so long as the full board is updated at the next meeting or by email with the information for each contract. Bob Williams seconded. Motion carried.

MOTION: Megan Orr moved to adjourn. Jay Grissom seconded. Motion carried.
The meeting was adjourned at 1:55 p.m.

Next Meeting

Wednesday, August 21st TDA Full Board Meeting at 1:00 pm in the Holt Library Conference Room 112, Southwestern Community College, 447 College Drive, Sylva, NC 28779.



Kathy Korb, Secretary
Jackson County TDA Board

Approved: