The meeting was called to order by CHC Chair, David Plexico, at 6:00 pm.

Plexico asked for a motion to approve the minutes of the 3/25/13 meeting. Plexico moved to approve as presented; Duncan seconded; no discussion; a vote was taken and the motion passed unanimously.

Plexico asked for a motion to approve the minutes of the 4/9/13 meeting. Plexico moved to approve as presented; Duncan seconded; no discussion; a vote was taken and the motion passed unanimously.

Budget Presentation by Beth Latham
Beth Latham, York County Treasurer, presented the proposed FY 13/14 to the Commission. Below is a summary of the presentation.

Summary of Beth Latham's FY 2014 Budget Report:

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<td>$4,973,713</td>
<td>$4,047,930</td>
<td>($925,783)</td>
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Revenues
Recommended increase of $83,200 is based on projected growth of the tax base. No increase has been requested to the current millage rate of 2.6 mils.

Most of the decrease in revenues is due to less Hospitality Tax and Appropriations of County and Museum Fund Balance which was included in the FY 2013 budget to fund capital projects. However, the current recommendation does include $204,730 which is needed to balance the FY 2014 recommendation and is designated for non-recurring capital for furniture/fixtures for renovated annex space as well as designated fund balance for Children's Museum exhibit expenses.

While the current year budget reflects a significant use of fund balance for capital projects, there will be some savings in the current year budget which will reduce the amount of fund balance that will actually be used. Projected fund balance at June 30, 2014 will be 12.2% of anticipated expenditures. We believe that with savings from the current year that amount will be closer to 15% when the year is closed out.

Earned income is projected to surpass FY 2013 budget and that increased activity has been included in the FY 2014 recommendation.
Contributed income remains conservative due to the experience of the past two years; however, we do expect improvement as the department is rebuilt.

Budget in the amount of $50,000 have been included in the recommendation for any grant opportunities that may become available in FY 2013. An offsetting expenditure budget has been included and may only be spent as these funds become available.

Budget in the amount of $50,000 have been added for any unknown sponsorships or designated gifts that may be received in FY 2014. An offsetting expenditure budget has been included and may only be spent as these funds become available.

We have applied for an additional $138,000 in Hospitality Tax Funding for Capital Projects (Huck’s Defeat Battlefield and the HB Brick House Porch). Revenues and expenditures for these projects are not included in the recommended budget. The budget will need to be adjusted if this funding is received.

**Expenditures**
Decreases in the FY 2013 Recommended Budget are made up of the following items in addition to savings from eliminating lease and postage expenses from replacement of equipment and utilizing County services.

1. **Unemployment Expense**  
   $ 20,000

2. **Salaries/Benefits**  
   $ 18,732
   Mostly attributable to eliminating a research assistant position in mid FY 2013 and transfer of Carroll School teacher cost to School District. The result of these changes reflects a decrease of 4 positions or 1.5 full-time equivalents. Although the recommendation results in a net decrease in salaries/benefits, there is overtime of $7,500 included in the Facilities Budget and $2,000 for temporary help in the Community Relations Budget to assist with special events.

   Funding for Pay for Performance has not been included in the recommendation. If Council approves the same funding method for FY 2014 as they authorized in FY 2013, the impact to the budget would be an increase of approximately $47,000.

3. **Electricity**  
   $ 11,980
   Amount recommended reflects current projected spending with some addition for the move into the annex.

4. **Telephone**  
   $ 32,248
   Mostly attributable to replacement expense in FY 2013 and expected savings due to change to VOIP equipment.

5. **Personal Computing Devices and Software**  
   $145,874
   Mostly attributable to computers/equipment that were replaced by County staff in FY 2013. A technology replacement expense of $143,787 has been added in FY 2014.

6. **Capital Renovations**  
   $748,464
   The FY 2013 budget included significant capital renovations. At close-out of FY 2013 fiscal year, any unexpended amounts for these projects will need to be re-appropriated in FY 2014.

7. **Machines and Equipment**  
   $154,367
   The FY 2013 budget for this item was for the Planetarium equipment.

8. **Contingency for Prior Year Expenditures**  
   $142,133
   The FY 2013 budget was created from transferring funds that were budgeted in FY 2014, but were spent in FY 2012 for the Planetarium. They were moved to the contingency account to prevent overspending in FY 2013.

Significant increases in the FY 2014 recommendation which offset the decreases described above include the following.
1. Furnishings/Fixtures $252,900
   The net increase in the recommended budget for FY 2014 is related to the items that have been identified as needed for the renovated space in the annex.

2. Direct Assistance $ 79,408
   The recommendation includes $50,000 for unidentified grant opportunities and $50,000 for designated fund raising or special projects that may receive funding during the upcoming fiscal year. This funding will not be spent without offsetting new revenue. The Commission will be notified as new funding is identified. By including this funding in the recommended budget, it will eliminate the need for budget amendments due to these types of expenditures.

3. Contingency Funding $103,370
   The recommended amount includes additional contingency funds. However, before these funds can be used, all revenue sources will be reviewed to ensure that revenues are on track.

Projections for future years do not include any significant increases over the FY 2014 recommendation. However, increases due to changes in the consumer price index, rate increases for health insurance and retirement and any salary adjustments authorized by Council will have impacts on the budget that may not be offset by increases in the tax base. We will continue to look for additional funding opportunities and may need to request operational funding from County Hospitality tax in the future to avoid requesting a millage increase.

The Commission will have to meet before May 15th to review the 990.

**Getter made a motion to approve the proposed FY 13/14 budget as presented for a total of $4,047,930**

**Plexico seconded; no discussion; a vote was taken and the motion passed unanimously.**

**Rainey House Discussion** – moved up on the Agenda because guests present to speak on subject; all agreed

Tilley reported as follows:
- Joe Cox and Bobby Walker came before the Board a few months ago and asked that the Commission take a position on the Rainey House.
- Tilley has been meeting with an ad-hoc group to discuss the Rainey House. He has been able to get input from a range of different people.
- The Rainey House is an important landmark in York County and is currently threatened and in need of repairs.
- There has been a judgment under Joe Rainey’s Will (former owner) that basically the house could be gifted to the County. The Commission has been tasked with making a recommendation on that.
- Tilley explained his philosophy has been taking care of what we already have but he also noted there is a responsibility to preserve important historic landmarks within the County.
- In Tilley’s opinion the Rainey House is eligible for the National Register.
- This house tells the story of Sharon during the early 1900’s through the Depression and potentially picks up where Historic Brattonsville leaves off.
- Raymond Engineering has put some numbers together about what needs to be done – before the preservation work; would require several hundred thousand dollars to fix the building. York County Forever has previously committed funds with which to do this work.
- The house is threatened. The Culture & Heritage Commission may not be the last alternative but may be the best alternative for putting it under an organization that can provide stability. The struggle that exists is between taking on a new project to continue under our umbrella or passing on that and possibly seeing a landmark in our county destroyed.
- Tilley introduced Lynn and Phillip Faulkner – Phillip is the Personal Representative of the Will and Lynn has also been very involved and is a member of the Broad River Historical Society. Tilley explained that he wanted to give them the opportunity to share their thoughts on the subject.
Mr. Faulkner – Joe died eight and one-half years ago and in his Will he wanted the house to be a learning center for 18th/19th Century culture. Three years ago York County Forever approached saying that this was a project they wanted to back. Right now the House needs a roof. The house, land (18 acres) and contents are valued at approximately $600,000. If the Council approves the York County Forever funds to be released, John Rainey has agreed to pay the bequest of over $65,000, which has not been paid yet. Something needs to be done. The Judge has given us a deadline of May 31 but that would probably be extended if we receive some sort of backing such as the CHC. The Judge would like to see a ten-year plan. It will probably take two years to get the house stabilized and decide what to do with the house – staffing, programs, usage, etc.

Mrs. Faulkner – It needs to be understood that the property is worth over $600,000; York County Forever since 2009 has allocated $500,000 for this project; and John Rainey has agreed to pay the bequests of $65,000 so the gift to York County would be well over $1,000,000. What is important for you to know is that Western York County really wants this. We have the support in writing of all three mayors in the area, as well as support of the Chamber of Commerce and the Broad River Historical Society. (It was noted that the Broad River Historical Society is a nonprofit entity already.) Getter interjected the possibility of using the already existing independent Broad River Historical Society as a receptacle to receive the $500,000.

Mr. Faulkner – We had formed a spin-off organization of the Museum of Western York County to do just that but when we tried to present to the Council in March 2012, the Council denied releasing the $500,000.

Plexico noted that the deadline will need to be extended in order to give the matter full consideration. The house certainly has potential but what sort of cash flow can we see from that as far as maintaining it down the road.

Craig asked for individual reports with hard numbers.

Plexico added that if we show an interest then maybe the Judge will extend the deadline.

Mr. Faulkner – I have to have an option to fix the roof or simply deed the property to the Medical University.

Tilley agrees with Plexico in that more time is needed to consider the matter. Tilley put out a rough annual operating cost to keep facility open for three days a week with one staff member of $50,000. We don’t have that money in our budget so we would have to have a new stream of income to cover it. Tilley not talking about anything that would bring a large draw but it would preserve the building.

Mrs. Faulkner noted that organizations and individuals have offered to help with monthly maintenance.

Tilley added that Mr. Cox is exploring the county side for new sources of funding, as well as the hospitality money. Tilley is looking for some sort of friends group that is committed to fund-raising efforts. When Tilley asked the Broad River group where the Rainey House was on their list of priorities, they said number one. He sees the CHC more in an administrative/advocacy capacity. He could assign Michael Scoggins, our Historian, who could supervise the part-time staff member.

Craig – They need us to say it’s a viable project but we need numbers.

Tilley – before the County will release the York County Forever money, someone has to agree to take this on. Tilley believes there is enough interest in the community.

All agree that the hole in the roof is top priority.

Getter asked the Faulkners to come with an organization/committee that will commit to the project that the Commission can go to.

Tilley noted that since the Broad River Historical Society has expressed an interest and already has a 5013C title, maybe they could take on that role.

The York County Forever money is allocated for the restoration and operation.

Beth Latham commented that 50% of Hospitality Tax Fund can be used for operation of a facility that would generate tourism. Hospitality Tax that the County collects is from restaurants in the unincorporated areas.
- Plexico suggested that the Faulkners go talk to the Judge to tell her that there is interest from the CHC in the project but we need numbers and you are requesting an extension in order to have time to gather that information for us.
- Tilley – In the meantime, I will try to meet with the Broad River group.
- Tilley asked if any action needed to be taken. It was decided to include discussion on Rainey House on the Agenda for the next meeting, which will need to be held before May 15.

**Staff Reports and Information**

**Report from Executive Director**

- Service numbers are up
  - As of the end of March our total combined on-site visitation numbers are now up from last year at this same time.
  - There is still a need for something new at Brattonsville to generate excitement and that continues to be a focus of our planning processes.

In the interest of time, Tilley asked the Commissioners to read over the rest of his report and feel free to ask any questions.

**Committee Reports**

- Finance Committee
  - Beth Latham presented Budget and repeated presentation for Commission
- Governance Committee – no report
- Collections Committee
  - Veasey reported that committee had first meeting and it was very successful
    - Staff members gave tour of the facility and each explained their positions
    - We still have the issue of whether this Charter was definitely approved – Tilley believes that it was but he will check to be sure.
    - Next meeting they will discuss how long committee members will serve

**New Business**

- **Recommended By-Law Changes** – no discussion
- **Discussion on Treatment of Brick House**
  - Under National Park Service standards we need to choose a treatment option
  - Four treatments options: Reconstruction, Rehabilitation, Restoration and Preservation
    - Reconstruction is out because the Brick House is standing
    - Rehabilitation is changing the use of the building and adapting it for that within the preservation standards
    - Restoration is picking a particular point in time and restoring it to that period of significance
    - Preservation is preserving the house how it is evolved up to a point in time
  - Tilley reported that he and his team who have been working on the interpretive plan would like to make a formal presentation to the Commission at the May or June meeting and present recommendations at that time. Team is looking at restoration vs. preservation.
- **Draft of Development Committee Charter**
  - Gether presented proposed changes for discussion only
• Tilley suggested that this matter be revisited in that this document is geared for an organization that is very different from what we are today. Also, he would like to involve new Development Director once she gets on board.
• Getter agreed to postpone discussion and put it as an agenda item under Old Business for next meeting.

• May Meeting Date
  • Regular May meeting date will fall on Memorial Day
  • Getter suggested having a Special Meeting prior to May 15 and skipping the regular May meeting
  • Tilley agreed with the understanding that it may be necessary to call another special meeting prior to June 24
  • May 13 was discussed for special meeting; agenda to include approval of Form 990 and to discuss Rainey House
  • Board Chair called special meeting for May 13, 2013 at 6:00 PM.

Plexico made a motion to adjourn to Executive Session; Getter seconded; Tilley noted that Michael Kendree was not present so there will be no legal advice but other matters can be discussed; a vote was taken and the motion passed unanimously.

Executive Session

• Discussed salary for Development Director position

Reconvene to Open Session

Plexico noted that no action was taken as a result of Executive Session.

Duncan moved to adjourn; Getter seconded; no discussion; a vote was taken and the motion passed unanimously.

There being no further business, the meeting was adjourned.

Prepared by: Barbara Ardrey
Submitted by: Dennis Getter, CHC Secretary/Treasurer