

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
BUDGET WORK SESSION, JUNE 29, 2001

The Board of Commissioners ("the Board") of the County of Chatham, North Carolina, met in the Henry H. Dunlap, Jr. Building Classroom, located in Pittsboro, North Carolina, at 9:00 AM on June 29, 2001.

Present: Chair Gary Phillips; Vice Chair Margaret Pollard; Commissioners Bob Atwater, Rick Givens, and Carl Outz; County Manager, Charlie Horne; County Attorney, Robert L. Gunn; Assistant County Manager, Paul Spruill; Finance Officer, Vicki McConnell; and Clerk to the Board, Sandra B. Lee

The meeting was called to order by the Chairman at 9:08 AM.

Agenda

Sanitary Districts
Fire Districts
Rescue Squads
Budget

SANITARY DISTRICT TAX

A discussion was held with regard to the Sanitary District's tax request to increase their tax rate from 15 to 18 cents.

Commissioner Pollard moved, seconded by Commissioner Givens, to accept the Sanitary District tax rate increase from 15 to 18 cents. The motion carried five (5) to zero (0).

Chairman Phillips suggested that the Board request a report from the Sanitary District Board with regard to their operations, their challenges, etc.

FIRE DISTRICTS

A discussion was held with regard to an evaluation of the fire districts and their reporting requirements.

Commissioner Givens moved, seconded by Commissioner Outz to accept the fire departments reply to the Board and set the tax rates as follows:

FIRE DEPARTMENT TAX RATES

Fire Department	Tax Rate per \$100	Contract Amount

Fire Department	Tax Rate per \$100	Contract Amount

Central Chatham	\$.06	\$148,807	Staley	\$.09	\$26,382
Moncure	\$.038	\$124,770	Bennett	\$.06	\$52,967
Circle City	\$.058	\$188,493	Goldston	\$.065	\$69,528
North Chatham	\$.06	\$1,054,231	West Sanford	\$.081	\$16,181
Bells Annex	\$.06	\$33,132	Parkwood	\$.06	\$20,299
Silk Hope	\$.05	\$161,501	Bonlee	\$.05	\$109,096

The motion carried five (5) to zero (0).

Commissioner Atwater moved, seconded by Commissioner Pollard, to have County staff to do a critical analysis and to make sure appropriate justifications are made for budget requests; that staff receive and review audits thoroughly; that County funds be withheld if requests or audits are not in order; and that the Board of Commissioners try to meet annually with the fire departments to discuss the fire departments' needs and operations. The motion carried five (5) to zero (0).

BUDGET

Chairman Phillips stated that his interest is in achieving a consensus on the budget, or at least as close to a consensus as they can come; that he had worked hard to try and arrive at a way to bring the tax rate under 65 cents without adversely affecting service delivery; and that a tax rate of 64.81 cents should be considered.

Commissioner Pollard stated that she appreciated everyone's hard work and negotiations; that she was distressed not to give 2% for staff increases; that these are the ones that serve the people of Chatham County; that if it is not done, it backs out of a commitment made and the employees will feel like they have been misled; and that this could be achieved with a 65.5 cent tax rate.

Commissioner Givens stated that he felt there was no need to fund the accountant and two social worker positions; that employees are not slighted; that this may be evaluated later in the year; that he is not in favor of employee raises; that the tax rate should be lowered by one more penny; and that positions should be deferred until a later time.

Commissioner Outz stated that he concurred with Commissioner Givens regarding employee raises; that he has talked with business people who say the economy is on the down side; that the County Manager and Finance Officer should have told the Board what they were getting into; that this would be the biggest increase in the state; that there are many people who are lower income that have been in the County for years; and that 50 cents should be adequate enough to address needs in the County.

Commissioner Outz moved to set the tax rate at 59 cents.

Commissioner Atwater stated that the matter of comparing tax rates with other counties is difficult to do; that the inordinately high revaluation rate is the catch-point; that this matter has had nothing to do with the managerial staff; and that it comes down to the Board's responsibility to make well balanced decisions that will insure that the public interest is being met. He further stated that this is an extraordinary situation with which the Board is dealing this year; that trying to reach market rate and having to deal with realities has been difficult; that they have been forced to make the best decisions under adverse circumstances; and that he regrets not being able to follow through with the proposed staff increase of 2%.

Commissioner Outz moved to set the tax rate at 59 cents.

Chairman Phillips expressed his concerns regarding a 59 cent tax rate and its potential impact on

employee cuts.

The motion died for a lack of second.

Commissioner Pollard stated that she hated to lose so much in training staff and then losing them to Wake, Orange and other counties; that she receives a lot of complaints from builders; and that the \$266,000 it would cost might save money in the long run.

Commissioner Pollard moved to re-institute the 2% market adjustment for staff.

Commissioner Atwater stated that although he couldn't argue with Commissioner Pollard, the more critical reality is the full budget problem they must remedy.

The motion died for lack of a second.

Commissioner Givens moved, seconded by Commissioner Outz, to defer two open positions, subject to the availability of funds, to be determined by the Board and staff at a later date. The motion carried five (5) to zero (0).

TAX RATE

Chairman Phillips moved, seconded by Commissioner Givens, to set a 64.64 cent tax rate and to adopt a continuation budget until the July 9, 2001 Board of Commissioners' meeting, and to adopt the Budget Ordinance at that same meeting. The motion carried four (4) to one (1) with Commissioner Outz dissenting.

ADJOURNMENT

Commissioner Outz moved, seconded by Commissioner Givens, that there being no further business to come before the Board, the meeting be adjourned. The motion carried five (5) to zero (0), and the meeting was adjourned at 12:47 PM.

Gary Phillips, Chairman

ATTEST:

Sandra B. Lee, Clerk to the Board
Chatham County Board of Commissioners