

PERSON COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

JUNE 6, 2018
OTHERS PRESENT

Tracey L. Kendrick
Gordon Powell
Jimmy B. Clayton
Kyle W. Puryear
B. Ray Jeffers

Heidi York, County Manager
Brenda B. Reaves, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in a special called session on Monday, June 6, 2018 at 9:30am in the Commissioners' meeting room in the Person County Office Building for the purpose of a work session focusing on the Fiscal Year 2018-2019 Budget.

Chairman Kendrick called the meeting to order.

County Manager, Heidi York welcomed the group to the first budget work session. In an effort to set an agenda, Ms. York offered the following as a starting pointing for discussions:

- Assistant Finance & Budget Manager, Laura Jensen would provide clarification on a couple of adjustments to the proposed budget,
- Two new requests to the Board:
 - 1) City of Roxboro request to fund \$4,750 toward the Fireworks, and
 - 2) Roxboro Area Chamber of Commerce request to fund \$2,500 toward the Personality Festival, and
- Volunteer Fire Department (VFD) funding

ADJUSTMENTS TO THE PROPOSED BUDGET:

Assistant Finance & Budget Manager, Laura Jensen updated the Board on the following adjustments that do not impact the overall total in the Manager's proposed budget:

- 1) 911 Telephone System Fund: The 911 Telephone System Board requested the County use \$68,143 in available 911 Telephone System Fund Balance which would reduce the state allocation by the same amount.
- 2) Fund 250: The Fire Tax District Fund – the \$100,000 state grant being appropriated into Fund 250 caused administrative burdens for the VFDs so staff has pledged that \$100,000 against the County's purchase of VIPER radios for the VFDs.

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VOLUNTTER FIRE DEPARTMENT FUNDING:

County Manager, Heidi York stated in the Manager's Proposed Budget the following are included:

- Sets fire tax at .0182 = \$669,000
- Sets property tax at .6818
- Includes a General Fund appropriation of \$330K

Ms. York outlined the Board's Property/Fire Tax Rate Policy as dedicated funding source (fire tax only) vs. mixed revenues (currently proposed using a combination of both a fire tax and an appropriation from the General Fund).

Ms. York highlighted her proposed budget was tax payer neutral (.6818) to offset the fire tax at .0182 (only the City of Roxboro residents will see a decrease). The total loss of revenue in the proposed budget was \$812K vs. an efficient use of revenues (maintains the current property tax rate .70, and provides consistency). Ms. York stated should the Board make an adjustment from her proposed budget to stay at .70 tax rate, the budget would have a surplus.

Commissioner Jeffers spoke in favor of fully funding the fire tax at .0272 for the \$1M appropriation and to maintain the property tax rate at .70. Amy Wehrenberg, Finance Director estimated a surplus on the proposed budget at \$1M or so.

Commissioner Puryear stated support for the proposed budget as presented.

Chairman Kendrick advocated for leaving the property tax rate at .70 and not lose the tax revenue from the City of Roxboro residents for a decrease in the rate as well as any future growth revenues. He noted support to the VFDs and suggested he could agree with a one cent or so fire tax.

A **motion** was made by Commissioner Jeffers to set a fire tax at .0272 and keep the property tax rate at .70 with direction to staff to bring back a budget ordinance reflecting those changes.

A **substitute motion** was made by Chairman Kendrick to defer action on this item until the next meeting.

Commissioner Jeffers and Chairman Kendrick agreed to withdraw their motions respectively to allow further discussion and deliberations.

Chairman Kendrick reiterated his support for the property tax rate to remain at .70 with a fire tax being set at .01 to allow an opportunity of economic growth to make up the difference.

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Tax Administrator, Russell Jones offered another option to the Board for consideration: set the fire tax at .0272 to fully fund the fire tax for the \$1M appropriation to VFDs and reduce the property tax from .70 to .69 for a combined rate of .7172.

Vice Chairman Powell stated the expectation for the VFDs to achieve a lower ISO rating for homeowners within the fire district although, it may take some time to do so.

Commissioner Puryear asked for a printout or slide with the numbers discussed in the options for the Board to consider at the next budget work session.

Chairman Clayton stated opposition to reducing the property tax rate.

A **motion** was made by Chairman Kendrick and **carried 5-0** to keep the property tax rate at .70 and set a fire tax rate at .01.

Ms. Tate presented to the Board an estimated surplus to the budget based on the above motion was \$411,000.

CITY OF ROXBORO REQUEST TO FUND \$4,750 TOWARD THE FIREWORKS:

Commissioner Puryear advocated for the City of Roxboro's request to assist in the funding for the biggest event in Person County.

A **motion** was made by Vice Chairman Powell and **carried 5-0** to appropriate \$4,750 to the City of Roxboro for the Independence Day Fireworks. This appropriation would be funded from the budget surplus noted above.

ROXBORO AREA CHAMBER OF COMMERCE REQUEST TO FUND \$2,500 TOWARD THE PERSONALITY FESTIVAL:

Chairman Kendrick presented a request by the Chamber of Commerce for the County to assist in funding \$2,500 in support of the Personality Festival.

Commissioner Puryear requested the Board to recuse him from discussion and action on this item due to his wife being employed by the Chamber.

A **motion** was made by Chairman Kendrick and **carried 4-0** to recuse Commissioner Puryear from the request by the Chamber of Commerce.

A **motion** was made by Commissioner Jeffers and **carried 4-0** to appropriate \$2,500 to the Roxboro Chamber of Commerce toward the Personality Festival. This appropriation would be funded from the budget surplus noted above.

Staff noted the balance in the surplus based on all actions above was estimated at \$403,750 or so.

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Vice Chairman Powell asked about economic catalyst funding. Ms. Jensen stated the Economic Catalyst Fund Balance total was at \$1.88M at last audit and \$634,000 was budgeted to be paid out of this fund for economic incentives during the upcoming fiscal year. Chairman Kendrick suggested Vice Chairman Powell to take this information back to the economic board with any future needs to be brought to the Board for funding from Contingency or the General Fund.

Vice Chairman Powell stated a decision was forthcoming related to filling the economic development director position using the services of a consultant. He stated his preference to use the surplus budget to pay the associated fees versus the budget appropriation in the Economic Catalyst Fund. Ms. York said she would be bringing a proposal at the Board's next meeting for consideration to hire a consultant as the recruiter for that position.

A **motion** was made by Chairman Kendrick and **carried 5-0** for staff to prepare a Budget Ordinance based on the actions above with the remaining surplus funds of the Fiscal Year 2018-2019 Budget placed into the Contingency Fund.

Commissioner Clayton asked about the Board's second budget work session. Clerk to the Board, Brenda Reaves stated the second budget work session (June 13, 2018) was not officially noticed, and was set only if needed by the Board. The Board, by consensus, agreed the second budget work session was not needed, and therefore no budget work session would be held on June 13, 2018. The next Board meeting would be its regularly scheduled meeting on June 18, 2018 at 9:00am.

ADJOURNMENT:

A **motion** was made by Commissioner Jeffers and **carried 5-0** to adjourn the meeting at 10:29am.

Brenda B. Reaves
Clerk to the Board

Tracey L. Kendrick
Chairman

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