

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
JUNE 15, 2009, 5:00PM
SPECIAL MEETING – BUDGET

PRESENT: Chairman Jeannette Council
Vice Chairman Billy R. King
Commissioner Kenneth Edge
Commissioner Marshall Faircloth
Commissioner Jimmy Keefe
Commissioner Ed Melvin
Commissioner Breeden Blackwell (participated via telephone)
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Amy Cannon, Asst. County Manager
Grainger Barrett, County Attorney
Harvey Raynor, Deputy County Attorney
Sally Shutt, Communications Manager
Marie Colgan, Deputy Clerk
Finance Department Staff
Human Resources Department Staff
Marsha Fogle, Clerk to the Board

The Chairman called the meeting to order. The purpose of the meeting is to further discuss and deliberate on the County Manager's Recommended Budget for FY 2010.

James Martin, County Manager, reviewed adjustments made to the General Fund budget since our last budget meeting noting the Total Amended General Fund Budget is now \$272,806,481. Adjustments are as follows:

RECOMMENDED BUDGET: \$273,470,933

Expenditure Changes

Personnel Changes:

General Personnel Changes:	\$	(82,146)
Animal Services additional reclassifications		55,844
Animal Services reduction in overtime		(25,000)
Health – WIC Processing Asst. reclass to Supv.		1,839
Health – WIC – reduce budgeted exp. for reclass		(1,839)

Recurring Other:

Health Dept Sexually Transmitted Disease Operating	8,495
Information Svcs – software/contracts renewal license	39,500
Fayetteville-CC Chamber of Commerce Women's Ctr.	10,625
Roof Plan	(500,000)
Contingency	(171,770)

Revenue Changes

Revenue:

Sales Tax Revenue	\$ (763,895)
Sales Tax Equalization	(51,349)
NC Food Stamp (stimulus funds)	150,792

	<u>Expenditures</u>	<u>Revenues</u>
TOTAL AMENDED GENERAL FUND BUDGET	\$272,806,482	\$272,806,482

OTHER CHANGES:

Emergency Telephone System Fund

	<u>Expenditures</u>	<u>Revenues</u>
Recommended Budget:	\$961,217	\$ 961,217
Operating	47,659	
Telephone Surcharge 911		(47,659)
TOTAL AMENDED EMERG. TELE. BUDGET	\$1,008,876	\$1,008,876

MOTION: Chairman Council moved to adopt the Budget Ordinance setting an Ad Valorem Tax Rate of 76.6 cents per \$100 valuation.

SECOND: Commissioner King

DISCUSSION: Commissioner Faircloth noted he had submitted a memo to the Board on Friday laying out some new information he had received from the President of the NC Auto Dealers Association. Commissioner Faircloth noted he has had some concern about the suggested 18% decline in vehicle values, in that he did not think there would be this much of a dip in sales and registration of new vehicles. The President of the Auto Dealers Association told Commissioner Faircloth that growth has been positive in May and June of this year. He said he would be surprised to see a decline in the Fayetteville market. Based on that information and his conversation with the Tax Administrator, Commissioner Faircloth suggested a revenue neutral tax rate would be closer to a 74 cent tax rate, which is what he suggested in his memo to the Board.

SUBSTITUTE

MOTION: Commissioner Melvin moved to adopt the Budget Ordinance setting a revenue neutral tax rate of 74 cents per \$100 valuation.

SECOND: Commissioner Faircloth

DISCUSSION: When asked why he moved to adopt 74 cents, Commissioner Melvin stated he thought that would be the revenue neutral rate. Commissioners Edge, Blackwell, King and Keefe expressed their concern about reducing the tax rate to 74 cents because of the uncertainty of exactly what cuts the State will hand down to the

County once the State budget is adopted. Commissioner Edge noted the County Manager brought the Board a budget that included additional funding for water and emergency services while bringing the Board his best estimate of a revenue neutral tax rate (76.6 cents per \$100 valuation) which is what he was instructed to do at the Commissioners' Retreat. Commissioner Faircloth said he thought at the 76.6 cent tax rate, 15 months from now the County will have raised more than a revenue neutral amount.

VOTE: FAVOR: Commissioners Faircloth and Melvin

OPPOSED: Commissioners Blackwell, Council, Edge, Keefe & King

VOTE ON
ORIGINAL

MOTION: FAVOR: Commissioners Council, Blackwell, Edge, Keefe, King

OPPOSED: Commissioners Faircloth and Melvin

BUDGET ORDINANCE

The Board of Commissioners hereby adopts and enacts the proposed 2009-2010 fiscal year budget as recommended by the County Manager with amendments incorporated herein as the County of Cumberland's budget for FY2009-2010 under the following terms and conditions:

1. The Budget Ordinance shall govern only total dollar departmental appropriations, including multiple organizations within a department, as shown subject to the resolution of September 7, 1982, after any additional personnel costs are factored into each department's appropriation.

2. The amendments to the County Manager's recommended budget as approved by the Board of Commissioners (Attachment A to these Minutes) includes all adjustments approved by the Board of Commissioners from June 1, 2009 through adoption of the budget on June 15, 2009 and any subsequent adjustments approved through June 30, 2009 by the Board.

3. The County-wide Ad Valorem Tax Rate and levy of 76.6 cents per \$100 valuation is hereby adopted.

4. The Special Recreation Tax Rate and levy of 5 cents per \$100 Valuation is hereby adopted.

5. The Fire Tax District Rates as shown below are hereby adopted and taxes levied:

Approved Tax Rate Per \$100 Valuation

Beaver Dam Fire District
Bethany Fire District

10 cents
10 cents

Approved Tax Rate
Per \$100 Valuation

Bonnie Doone Fire District	10 cents
Cotton Fire District	10 cents
Cumberland Road Fire District	10 cents
Eastover Fire District	10 cents
Godwin-Falcon Fire District	10 cents
Grays Creek Fire District	10 cents
Lafayette Village Fire District	10 cents
Lake Rim Fire District	10 cents
Manchester Fire District	10 cents
Pearce's Mill Fire District	10 cents
Stedman Fire District	10 cents
Stoney Point Fire District	10 cents
Vander Fire District	10 cents
Wade Fire District	10 cents
Westarea Fire District	10 cents
Special Fire Service Fire District	½ cent (one-half cent)

6. The Cumberland County Board of Education's current expense appropriation is hereby adopted at a tax rate of 39.19 cents (44/86*76.6) of the total current year tax collections less any applicable amount due to other interlocal agreements.

7. The Fiscal Year 2010 Position Classification and Pay Plan is revised to reflect any additional or revised/deleted positions and/or classifications approved by this budget. The County Manager shall be responsible for the administration and maintenance of the Position Classification Plan and shall have authority to create new classifications and reallocate existing classifications within the salary plan for all existing county positions. Positions governed by the State Personnel Act are exempt from this policy. The Board of Commissioners shall annually ratify the classification and salary plan.

8. The FY2009-10 budget includes the continuation of a 1% employer contribution to a 401K retirement plan.

9. Encumbrances outstanding in the prior fiscal year will be included in the coming year FY2010 budget. Unexpended grants previously approved and budgeted by the Board in FY2009 will be re-budgeted or rolled over into the FY2010 budget.

10. Board approved contingency funds may be reallocated within and between departments in the same fund by the County Manager, subject to current established policies.

11. Any shortfalls or other adjustments in revenues or expenditures created by the above adopted budget shall be adjusted by a like amount appropriation from the fund balance of the County of Cumberland or an adjustment to contingency or other line item so that the 2009-2010 fiscal year budget of the County of Cumberland is balanced pursuant to Chapter 159 of the NC General Statutes.

12. The Solid Waste Management Fee is hereby adopted at \$48.00 per household.

MEETING ADJOURNED

Clerk to the Board