

TUESDAY JUNE 1, 2010 MINUTES

The Caswell County Board of Commissioners met at the Historic Courthouse in Yanceyville, North Carolina at 5:00 pm on Tuesday June 1, 2010. Commissioners present: Chairman George W. Ward, Jr., Vice-Chairman Kenneth D. Travis, Erik D. Battle, William E. Carter, Nathaniel Hall, Jeremiah Jefferies, and Gordon G. Satterfield. Also present: Kevin B. Howard, County Manager, Gwen Vaughn, Finance Director, and Thomas Bernard, Tax Director. Matthew Smith, Clerk to the Board, recorded the minutes.

MOMENT OF SILENT PRAYER

Chairman Ward opened the meeting with a moment of silent prayer.

TAX VALUE DISCUSSION

Tax Director Thomas Bernard presented revenue figures for property taxes for the current fiscal year. Mr. Bernard stated that tax value was \$1.64 billion from 2007-2008, \$1.49 billion from 2008-2009, and \$1.458 billion from 2009-2010. He projects \$1.470 billion for end of fiscal year 2009-2010. Mr. Bernard discussed the Land Use Program and the ninety three new applications filed for the program resulting in a loss of \$5.2 million in taxable value in 2009. He also stated that twenty nine applications were filed for Elderly or Disabled and Disabled Veteran Exclusion resulting in a \$1.2 million loss in taxable value from both programs in the year 2009. For 2009 new construction values were \$16 million. In the 2009 tax year, a total of \$8.7 million was lost in taxable value of motor vehicles resulting in a \$54,000 loss in tax dollars for the 2009 tax year.

The 2010 estimated real estate taxable value was \$1.235 million before new applicants for the Land Use Program or Elderly or Disabled and Disabled Veteran Exclusions were approved. For the 2010 tax year a total of 85 applications have been received for parcels applying for the Land Use Program with an estimated taxable value loss of \$5 million. Forty eight applications were filed for Elderly or Disabled and Disabled Veteran Exclusion Program with an estimated taxable value loss of \$1.54 million. The 2010 new construction values were approximately \$8 million, which is a 50% decrease from 2009 levels. Personal property was estimated to be approximately \$39 million with no change from the 2009 tax year. The Department of Revenue of North Carolina estimated the 2010 taxable value for utilities would be \$55 million.

PROPOSED BUDGET DISCUSSION

The Commissioners discussed the proposed budget and deliberated on how to make up for the shortfall. Options ranged from using fund balance, property tax increase, sales tax increase, furloughs, layoffs, or a combination of tax increase and fund balance.

Chairman Ward took a quick poll of who is comfortable with the budget. Commissioner Battle stated he is ready to pass as presented or do whatever it takes to balance it. Chairman Ward stated he is comfortable with a two cent increase in property tax. Commissioner Carter can vote for 4.1 percent increase in property tax and \$200k of fund balance. Commissioner Travis stated he is not voting for a tax increase or use of fund balance. Commissioner Hall is strongly against

using any fund balance and stated that maybe education should be cut. Commissioner Satterfield stated that this is the toughest economic times in their lifetime. He noted that the unemployment rate for the county is 13 percent and that because of this it is hard to ask for a tax increase. Commissioner Satterfield looks at the fund balance as a rainy day fund and suggests that it should be used. He also suggested looking at web courses for Institute of Government instead of travelling. Commissioner Satterfield is opposed to a property tax increase. Commissioner Jefferies stated he could do a two percent tax increase and furloughs. He is opposed to using any fund balance. Chairman Ward concluded that not enough votes for the budget to pass as presented and that everyone needs to say what they want to pass it and let the department heads make it happen.

Chairman Ward took another poll of who would be willing to use \$200k of fund balance. Chairman Ward and Commissioners Battle, Satterfield, Jefferies, and Carter are in favor of using fund balance. Commissioners Travis and Hall are strongly opposed to using any fund balance.

Commissioner Jefferies asked County Manager Kevin Howard and Finance Director Gwen Vaughn to bring back a cut of one percent across the board. Commissioner Satterfield suggested a sales tax increase of a quarter cent in place of a property tax increase. A sales tax increase of a quarter cent would bring in \$125,000. Commissioner Satterfield left at 7:13 pm.

RECESS

At 7:45 pm Chairman Ward motioned to recess until Tuesday June 8th, 2010 at 2:00 pm.

Matthew W. Smith
Clerk to the Board

George W. Ward, Jr.
Chairman
