

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
BUDGET SESSION
JUNE 03, 2009

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Henry H. Dunlap Building Classroom, 80 East Street, located in Pittsboro, North Carolina, at 9:00 AM on June 03, 2009.

Present: Chairman George Lucier; Vice Chair Sally Kost; Commissioners Mike Cross, Carl Thompson and Tom Vanderbeck; County Manager, Charlie Horne; Assistant County Manager, Renee Paschal; Finance Officer, Vicki McConnell; and Deputy Clerk to the Board, Elizabeth Plata

Budget Agenda

- Enterprise Funds – Water and Solid Waste
- Revenue
- Salary and Benefits
- Non-Departmental
- Attorney
- Manager’s Office
- Community Relations
- Governing Board
- Court Facilities
- Facilities Management
- Fleet Management
- Finance Office
- General Services Management Information Services

The Chairman called the meeting to order at 9:01 AM.

ENTERPRISE FUNDS

Total Water Funds:

Public Works Director David Hughes discussed the water utility. He said that operating fees had been reduced by 7 percent from the previous year. In addition, the utility had instituted conservation measures that had reduced revenue, he said. Mr. Hughes noted that they had also taken on a significant amount of new debt. As a result, he said, his was an extremely lean budget this year.

Commissioner Kost asked what constituted the 7 percent cut. Mr. Hughes replied that his staff had gone through their budget, line by line, and made small cuts in everything. He mentioned a contract with Siler City that had saved \$100,000. The County Manager said that the contract with Siler City might mean eventually supplying water to the Town of Goldston as well. Chairman Lucier said the Board would be willing to document its interest in supporting that application and would want to do so in a timely manner.

With regard to the Goldston sewer, Chairman Lucier ascertained that bringing the line up from Sanford at the County’s expense was still on the table. Mr. Hughes said that the County doing its part was contingent upon Sanford doing its part. Commissioner Vanderbeck verified that Sanford had received a grant to begin a related study, and Chairman Lucier pointed out that such an arrangement would be a win/win/win for Goldston, Siler City and Chatham County.

The Board noted that the County's share would be about \$1.5 million, and Chairman Lucier said that this would include bringing the line up from Sanford. He said that the infrastructure within Goldston itself would cost another \$3 million, which is what the grant would be for. Commissioner Kost ascertained that Chatham County's \$1.5 million would be taken from capital reserve, if the venture were to happen. Commissioner Thompson noted that there could be additional Stimulus funding as well.

The Board discussed Goldston's growth aspirations and agreed that the town's economic development plans would not occur without sewer. Chairman Lucier pointed out that Goldston was not seeking unrestrained growth. At the present time, their failing septic systems were a health issue, he said. Chairman Thompson commented that it made sense from the County's perspective to run the line from Sanford at least as far as the intersection leading into Goldston. Chairman Lucier agreed, adding that the County would recoup that investment many times over.

Commissioner Kost ascertained that Durham was willing to sell water to Chatham County. Mr. Hughes explained that it had not been necessary to buy that water, and said he did not expect that Chatham County would need any this year either. He pointed out that peak use last summer was down from the summer before. The Board verified that year-round conservation measures were still in place. Commissioner Kost ascertained that residents of Deer Run had paid and signed up, but the County would have to recoup about \$70,000 in fees for the cost of that line.

Southeast Water District Funds:

Commissioner Kost asked if the County was accounting for the Southeast District funds separately, since it was intended to be a self-sustaining water district. The Finance Officer said that it was, and Chairman Lucier pointed out that installing the Southwest District line had taken a lot out of capital reserve.

Commissioner Kost stressed that she was talking about operating costs. Now that there were customers, was the utility self-sustaining, she asked. The Finance Officer replied that, according to preliminary estimates, total revenue would cover debt service and a little of the operating expenses. Mr. Hughes said that it pays for itself when you combine new and existing customers, but not if you consider new customers alone.

Commissioner Kost ascertained that there were a total of about 930 customers in the district. She said that water rates would have to be raised if that utility did not pay for itself. Commissioner Cross recalled that it was projected to pay for itself in 17 years.

Commissioner Kost asked what the gap was, since there should be money coming in to pay for debt service and operating costs associated with providing water to that district. If it does not balance, then the County could either tax that district or raise the rates, she said. Mr. Hughes explained that they could not clearly evaluate those lines until they had been completed and everyone had begun to hook up.

Mr. Hughes said that there was a significant shortfall, with \$300,000 in debt and \$75,000 in revenue. Chairman Lucier verified that the money would be paid back to the USDA over a 40-year period. So, they have to estimate what that income will be, he said, adding that the Board's general budget philosophy was to make estimates ranging from most likely to conservative. Chairman Lucier said it was important that the Enterprise Funds have that same philosophy.

Commissioner Kost stated that revenue from existing customers needed to go toward the entire Southeast District. She ascertained from the Finance Officer that there was not yet a separate account for that district, but there would be. Commissioner Kost said she would like to see that separated out. Chairman Lucier added that the Board would need to make a conscious budgetary decision to move money from the County to that fund. The Southeast District needed to be broken out for that purpose, he said. Commissioner Cross pointed out that the Southwest District had also benefitted by a road that needed to be built. So, money spent on the Southeast District had benefitted the Southwest District as well, he said.

Commissioner Kost verified that funding would come from capital reserve even though there was money in the water fund to pay for it. She pointed out that folks who live in the Southeast Water District had voted to have water, and she could not support taking it from the general fund, she said. Chairman Lucier agreed that if the Southeast District comes up short in the future they would have to be taxed to pay for it. Commissioner Kost said she could understand providing some support, but the utility should eventually be self-sustaining. The Assistant Manager pointed out that it was operating in a self-sustaining manner but the capital was being borrowed from the general fund.

Commissioners agreed to make some temporary decisions and then revisit the issue. The Assistant Manager said that the utility capital reserve balance was estimated at \$14 million as of June 30. Staff was proposing transferring almost \$1.7 million to the water operating budget next year to cover that service, she said. Chairman Lucier pointed out that revenues were 6.2 million in the recommended budget and expenditures would be 5.1 million. He asked if the \$1.1 million was going to capital reserve.

The Assistant Manager replied that it was going to the Bynum package treatment plant and the water treatment plant. She explained that revenues balance expenditures in the total water fund and the total transfer into the water capital reserve was \$463,876. Chairman Lucier pointed out that this was down from \$900,000 the previous year. The Assistant Manager explained that this was due to increased debt in the water fund. Chairman Lucier verified that it was primarily the result of the Southeast District water costs, the western transmission line, and the Southwest water district.

The Board discussed the possibility of buying water from Durham when the economy improves and development picks up again. They agreed that it would be best to order conservatively because they would have to pay for it whether they used it or not but probably could get more if they ran short. The Board discussed having taxpayers understand that they would have to pay for the water if they do not conserve it. Commissioner Kost said the County might eventually look at creating a water district for those who have water so that it becomes self-sustaining, and Chairman Lucien agreed that the Board should discuss that.

The County Manager mentioned that the Town of Pittsboro wanted to talk about coordinating its water system with the Chatham County. The Board expressed enthusiasm for that idea, noting the amount of money that is wasted due to redundancy. They stressed the benefit that this would have to taxpayers, who would save money and have better water.

The Board discussed not having filled the tank on Briar Chapel Road because they do not yet have the deed to that property. Mr. Hughes explained that a technical issue with the survey was the current snag. Chairman Lucier pointed out that it was in Newland management's interest for that tank to be installed and the fire station built. Board members discussed how having the tank would allow better water flow to that district over the summer. They agreed that Mr. Hughes had done all he could to make it happen.

With regard to the Bynum wastewater treatment facility, the Board determined that the real number for amended expenditures should be \$9,000 rather than \$93,000. The larger number had been amended for budget purposes, but the money was never spent, said Mr. Hughes. With regard to the current year, Commissioner Kost verified that it was costing about \$10,000 to run the Bynum treatment system. Board members said they did not have an issue with that. Commissioner Kost said that she did not either, but she wanted make sure that the rates were in line next year and decide whether it was time to adjust them.

Mr. Hughes noted that the lines in the Bynum collection system needed to be rehabilitated. Chairman Lucier said that the majority of that waste was coming from the school and there has to be a plant that could handle that. Fifty customers pay half of the cost, he said. The Board mentioned looking into obtaining Stimulus funds for upgrades.

The Board discussed advertising when they adopt the Southeast Water District and convene as a Southeast Water Board on June 15. Commissioner Kost stated that she would support that if it could be paid for within the Southeast Water Fund. The Finance Officer clarified that Commissioner Kost wanted a separate water account for the Southeast Water District. Chairman Lucier agreed that it ultimately had to pay for itself because the County could not continually give the Southeast a disproportionate share of capital reserve.

The County Manager asked if the Board would request a tax increase to cover the cost. Commissioner Kost said that would be premature, but Chairman Lucier pointed out that they needed to track what goes into the different districts in case they eventually had to justify that decision. The Board also discussed the possibility of lending money from capital reserve to the Southeast Water District.

Chairman Lucier verified that the entire water district would be responsible for paying whether they use the water or not, noting that that's what voters had approved. The Board discussed setting up capital reserves for individual districts and granting each district a lump sum for that purpose. This would be based on financial considerations and on what they expect for revenue, they said.

The Assistant Manager pointed out that the County could not just give money to the Southeast District. The only way they could pay additional debt service was to reduce the amount that the Southeast District gives back to the county for water purchase and operation, he said. The Finance Officer noted that the Southeast Water District could borrow money by going to the LDC. Commissioner Kost proposed that they look to see if there was any way they could pay the debt service within the Southeast District water budget. If not, then she would be willing to take it out of capital reserve, she said.

The Board agreed that they would like to see individual districts broken out to show both revenue and expenditures in the future. The Finance Officer pointed out that the Southwest District would not be set up to actually have customers. The Board agreed that the Southeast District then was the only one for a while that would have its own budget and accounting.

The Assistant Manager noted that the Commissioners needed to adopt a budget ordinance for the Southeast Water District on June 15, 2009. Therefore, they needed to advertise that the Board convened as the Southeast Water District, and they needed to see the budget as soon as possible, she said.

Commissioner Thompson mentioned that many people did not realize that they were in a district where they would need to pay whether or not they use the water. He advised the Board to give people in these districts a transitional timeframe so they would not suddenly get hit with a bill. The Board acknowledged that most of the people who voted for water probably did not realize that they would have to pay for it. Commissioner Thompson raised the specter of mass rebellion if the transition is not gradual. Commissioner Kost said it would become even more difficult when they begin extending water lines beyond current customers.

WASTE MANAGEMENT FUNDS

Waste Management Capital Reserve:

The Assistant Manager said she expected there to be \$900,000 in the capital reserve fund this year. She said the County had raised the collection fee by \$10 last year and were accumulating money to add a new collection center in the Northeast part of the County. The County was also accumulating funds to replace the roll-off trucks that cost \$200,000, she said.

Chairman Lucier verified that \$835,000 in expenditures was being taken from fund balance. The Assistant Manager agreed that that was one way to look at it. They were essentially taking money from the fund balance and putting it into the capital reserve, she said. Chairman Lucier pointed out that they had been operating each year in the black and increasing the capital reserve. They would eventually have to call on that to address landfill issues, he said.

The Finance Officer noted that in the past the County did not make transfers to the reserve. That is why there is a fund balance, she said, adding that this year they were adding more. The Board agreed that if they continued to operate at \$200,000 in the black, then that money could theoretically go to help pay for a landfill and they could appropriate less to debt service.

The Finance Officer said that they should not view it as excess money that could be used for the landfill. Chairman Lucier agreed. However, when the time came, they would be able to shift some things around because they were operating in the black, he said.

The Assistant Manager pointed out that the landfill would have operating costs and debt service. She said the fee was fairly fixed and revenue was fairly constant and based on the number of residents in the County. However, costs go up at a higher rate than the increase in residents, so one has to look at adjusting the fee when that gap narrows, she said. Commissioners Lucier and Kost said they had thought the opposite would occur due to economy of scale.

The Assistant Manager explained that if the fee were based on the way waste was disposed of that would be true. The County Manager noted that the County was also doing a study of "pay as you throw." That would lead to more recycling, which would bring costs down, he said. The County Manager said that in August, when public hearings have been completed, there will be a shift in how things are collected, the cost of hauling, and so forth.

Commissioner Kost said she had not made up her mind about "pay as you throw." She said that waste volume would decrease, but other Commissioners pointed out that recycling volume would increase. Chairman Lucier said that a fiscal analysis would have to be done of that and that it was out of the scope of what they could do today. No one had made a decision to institute "pay as you throw," he said.

Chairman Lucier asked why waste transfers had increased to \$764,000. The Assistant Manager explained that, beginning this year, more than \$164,000 was going to the collection center. The County had not made transfers in the past couple of years, she said, so fund balance had grown. What they plan to do this year and next is transfer money from fund balance into the capital reserve, she said.

With regard to recyclables, Chairman Lucier noted that in 2008 there was \$128,000 in revenue, but this year it was expected to be \$40,000. He determined that the decrease was due to the fall in the market. The County Manager noted that people were not buying as much either, so there was not as much material to recycle. The same was true of the landfill fee, he said, explaining that that seemed to be steadily dropping. However, the disposal fee had been stable, as had the number of employees, said the County Manager.

Commissioner Kost mentioned that Commissioners had heard a lot of opposition to the idea of closing swap shops. The Manager said that closing them was a dead issue for now. Several Commissioners said the shops were popular in their districts. Commissioner Kost said she did not think there would be support among Board members for closing those shops.

BREAK

The Chairman called for a short break.

GENERAL FUND

The Assistant County Manager discussed the General Fund and said the County had projected a 1 percent decrease in sales taxes, but the state was projecting a 4 percent decrease so the County had revised its estimated downward by \$300,000. She said the sales tax issue would need to be revisited and based on actual appeals. The Assistant Manager said the E & R Board would adjourn on June 6, 2009, and she would calculate the appeals shortly after.

Commissioner Kost ascertained that they had not proposed to take away the Hold Harmless funding and Chairman Lucier pointed out that they would not know about state cuts to schools in time. The Assistant Manager pointed out that this was true for County revenues as well. Chairman Lucier said that the County would have to set a tax rate before they have this information. The Board determined that they would just have to guess despite the uncertainty.

The Board noted that there had been large commercial building permits issued this year, which had had a large impact on inspection permit revenues. The Assistant Manager

said that residential permits were way down and no commercial permits were expected to be issued next year. She said the staff's estimate of \$500,000 was based on the declining trend. Chairman Lucier noted that this was a 37 percent reduction from what they collected in the current year. He determined, however, that this was a conservative estimate.

Commissioner Kost inquired about real projections for this year's fund balance and about interest earnings. With regard to the fund balance, the Assistant Manager replied that the County would spend about \$500,000, or less. With regard to interest earnings, she pointed out that interest rates were low and the County had been getting less than 1 percent on some of its CDs. The Assistant Manager said that she did not think they had seen the bottom yet, so next year's recommended budget figures were conservative.

Commissioner Kost asked why the ABC Board had been keeping all of its profits, and the Finance Officer explained that they had been putting money in a reserve building fund. The Board discussed how those funds should be shared with the County, and the Finance Officer explained that the state would require them to give a certain percentage of their profits to the County once they have enough working capital.

Commissioner Kost asked to know the status of the ABC building fund and when the County would again see a return. Chairman Lucier asked staff to provide information on how much was in the fund, how much had accrued since 2005, what the rate had been, and what they anticipated for the coming year. He said that perhaps some of that money could be shared during this difficult year. Commissioner Kost said the arrangement should be time limited, and she noted that there was plenty of storefront available in Cole Park Plaza.

The Board discussed recreation impact fees and the Assistant Manager said they were estimating receiving \$108,000, which is down from a high of almost \$650,000 in 2007. Chairman Lucier said that in a five-year period it probably will average out to \$400,000 to \$500,000.

The Board discussed salaries and benefits, and the Assistant Manager proposed no change, no pay increases, and no implementation of the pay study. She said that benefit levels were frozen, except for the retirement percentage, which is set by the state and went down by .002 percent. She said they had zeroed out many positions but had been able to move two from building inspections to social services.

Commissioner Kost ascertained that nothing had been transferred this year from the personnel savings account, since positions had been frozen to keep costs down. Commissioner Kost said that she could not see where that saved any money. She verified that the County was not giving raises, but the money is in the personnel savings account to pay for raises. The Assistant Manager acknowledged that the lapsed salary amount was considerable this year, but stressed that next year could be a problem. With no revenue growth and very few lapsed salaries, there would be no funds in the personnel savings account and the County would have to take it from the general fund, she said. The Assistant Manager explained that staff was trying to avoid getting into a big hole in FY2011.

Commissioner Kost said that they had \$900,000 in the pot, and she was searching for ways to cut the tax rate. If there was a way to shift money around that would not hurt the County in the future, then they should do it, she said. The Assistant Manager cautioned that cutting the tax rate by appropriating money from the personnel savings account could lead to problems next year. Commissioner Kost replied that there would be some lapsed salaries the next year, which would rejuvenate the fund. Chairman Lucier said there might be an intermediate solution that would not put the County too far in the hole for the next cycle. He asked that everyone think about that and return to it later. The Board pointed out that no one was proposing taking the entire \$900,000.

Line Item Budget Summary:

The Assistant County Manager reviewed the Line Item Budget Summary. She discussed insurance and bonds, contracting services, the Employee Wellness Program, the benefit set-up fee, unemployment, and contingency. Commissioner Kost asked staff to bring back information on how much was in the contingency fund and how much had been used the previous years. She thought it was too high, she said, because the County would turn to

general fund balance if a catastrophe occurred. Commissioner Kost asked to flag that and come back to it.

The Assistant Manager discussed the impact fees, based on what Habitat for Humanity, EmPOWERment, and others who build affordable housing estimate they are going to build next year. She explained that these non-profits pay the fee and the County reimburses them. She addressed the US 64 corridor study and the Pittsboro-Chapel Hill bus service.

With regard to the Pittsboro-Chapel Hill bus service, Chairman Lucier and Commissioner Kost challenged the \$130,000 figure and said that \$42,080 would be the most they would spend because they would not continue the service beyond 6-10 months if no one used it. That would cut \$87,920 from the proposed budget, they said. The Board instructed the Assistant Manger to reduce the number to \$40,000, and Commissioner Kost advised making sure that the matching grant was still available. The Board also discussed where they would like bus stops to be.

With regard to contingencies, Commissioner Kost asked the Assistant Manager to bring back information on what the County had budgeted in the last three years versus what it had actually spent. She thought they might be able to cut that budget, she said, noting that fund balance was available in case of a catastrophe. Chairman Lucier agreed, commenting that to start something new you sometimes needed to end something old.

LUNCH

The Chairman called for a lunch break.

MANAGER'S OFFICE FUNDS

The Assistant County Manager discussed the Manager's office budget, including salaries for the county attorney, management analyst position and grants writer. The Board agreed to make Jep Rose's position permanent and change his title to County Attorney.

The Assistant Manager answered questions about salary amounts. She explained that all departmental budgets had been amended to account for County Attorney expenses. However, since there was no way to determine how to divide it, staff had put it in the County Attorney budget. During the year, as each department spends money, staff will move money to that department, she said. Commissioner Kost wondered if that might be extra work that did not need to be done. The Assistant Manager pointed out that staff would be asked how much had been spent on each department. The Board agreed that it would be better to code the expenses so that the total amount could be tracked if anyone inquired.

The Assistant Manager said that the salary for the temporary management analyst position was in the budget but the position had been frozen.

Commissioner Kost asked for a breakdown of the \$11,600 net operating costs. The Assistant Manger listed those, and Commissioner Thompson suggested that the \$2,500 continuing education cost for the Leadership Academy might be reduced by bringing in local speakers. The Assistant Manager agreed, and said that they were planning to do that this year.

Commissioner Kost noted that lost work days due to injuries had increased from 10 to 100 in one year. The Assistant Manager agreed to bring back information on what injury had caused that increase.

Chairman Lucier commented that agendas of Board meetings were still not always posted on the website. He asked staff to let the Board know if they were having problems and/or if they had specific suggestions on how to make improvements.

The Assistant Manager agreed to post the Board's tentative schedule. She also mentioned making employee Sybil Tate a full time management analyst and also having her also staff the Green Building Taskforce. The Board expressed unanimous support for that suggestion, as did the County Manager.

Chairman Lucier noted that the Manager's budget was \$30,000 less in real dollars than it had been in 2007. It was \$108,000 less than 2008 and \$70,000 less than 2009, he said. Chairman Lucier praised the Manager's attempt to set an example for the rest of the County, but cautioned against cutting it so much that he would not be able to get the job done.

COMMUNITY RELATIONS FUNDS

The Board reviewed the Community Relations funds and noted no changes.

Chairman Lucier and the County Manager discussed the process by which some press releases get passed to the Board and others do not. The Manager said that announcements about formal decisions or hot topics go through the Board, but routine announcements do not. Chairman Lucier pointed out that it is the Board whose emails light up when the public is aroused, however.

GOVERNING BOARD FUND

The Board reviewed the Governing Board fund and noted no changes.

Commissioner Kost said that Technology Allowance was a misnomer because it covered much more than that. The Board suggested renaming that category to Board of Commissioners Office Supplies.

The Board discussed how they were spending more than their monthly allowances, and Commissioner Kost stated that she was losing money on mileage reimbursement. She asked the Finance Officer about being reimbursed for actual mileage rather than a lump-sum reimbursement. The Finance Officer replied that either way was okay and the choice is up to each Commissioner.

Commissioner Kost moved, seconded by Commissioner Thompson, to change the reimbursement policy for travel based on individual preference of each Commissioner choice, either reimbursement on a per mile basis or a flat rate. The motion carried unanimously, five (5) to zero (0).

FACILITIES MANAGEMENT FUNDS

The Board reviewed the Facilities Management funds and noted no changes.

Commissioner Kost ascertained that projected building maintenance costs had jumped from \$1,300 to \$44,000 due to safety improvements and the proposed re-carpeting and painting of the DA's office. She asked if part of that work could be done this year and part the next. The Finance Officer suggested separating security projects from cosmetic ones. Chairman Lucier recommended doing everything because it was all needed.

Commissioner Kost verified that no court-related activities had been moved to the Performance Building. She ascertained that Community Relations, Public Works, Environmental Resources, and Buildings and Grounds would move in there in the short term. Chairman Lucier asked for information on what the County would save on rent once those folks had move into that building, which would be paid for in nine years. The Assistant Manager said she had accounted for reduced rent with some of the departments that would be moving into the Performance Building

Commissioner Kost verified that at least two of the new vehicles for the motor pool were hybrids. She asked about the negative expenditure in 2008 for charge-backs to departments for the motor pool. For most of County government this did not matter, she said, but the Department of Social Services and the Health Department were big users of the motor vehicle fleet. Commissioner Kost said that the County needed to make certain that the charge-back rate covered all the operating costs because it charges the state for reimbursement and would not want to miss the opportunity to maximize non-county dollars.

Commissioner Vanderbeck suggested including all entities, such as schools, if the County offers fuel distribution at a centralized site. He realized that the budget did not include that, but asked to note it for the future.

FINANCE OFFICE FUNDS

The Board reviewed the Finance Office funds and noted no change. The Finance Officer explained that they had cut \$15,000 from the budget by having her do more of the audit work. She said that some costs, such as the actuarial study for health costs, had been lower than budgeted and that others had stayed the same rather than increasing as had been anticipated. Commissioner Kost ascertained that the Finance Office was working toward doing their billing electronically.

Chairman Lucier asked why the operating costs had been so high in 2007. The Finance Officer replied that it probably was due to the cost of borrowing COPS money. She and the Assistant Manager agreed that underwriting cost for selling the bonds that year was \$674,000 and that \$132,000 was the financing costs. The Board expressed dismay over the high cost of underwriting, and the Finance Officer pointed out that it had been put out for bids.

Commissioner Kost asked about a jump of about \$30,000 for operating expenses in 2008. The Assistant Manager said they had budgeted \$90,000 but spent only \$61,000.

MANAGEMENT INFORMATION SYSTEMS (MIS)

The Board reviewed the Management Information Systems funds and noted no change.

Commissioner Kost asked about the impact of having two frozen positions in the MIS department. The Assistant Manager replied that those were both new positions that had been approved in the current year and were funded to start on January 1. One was a second emergency services specialist and the other was a help desk person who would also be trained to maintain the AS-400, she said. Chairman Lucier pointed out that the help desk position was not on the organizational chart.

The Board discussed its plans for meetings the following day and agreed that presentations would be limited to 10 minutes. Chairman Lucier listed several questions that he wanted to ask the Sheriff's Office regarding the effects of the current economic downturn. He also wanted to know how state cuts were impacting Health and Social Services, he said. The Board reviewed specific topics that they intended to discuss with departments.

With regard to specifically inviting non-profit organizations, Commissioner Vanderbeck pointed out that the non-profits had already made their cases and the Board already knew their stories. The Assistant Manager offered to obtain any additional information that the Board might need to make a decision. Chairman Lucier said that the non-profits had already been vocal about their needs. He said he was hearing agreement that they would not explicitly invite those organizations. Commissioner Thompson agreed that all should be treated the same way and should follow the same process.

The Board noted that structural issues had caused the Arts Council to miss the application deadline. Commissioner Kost said that much in the economic development strategic plan was tied to the arts and that the Arts Council was part of that. Chairman Lucier said that if traditional non-profit funding was not appropriate, and this was an economic development issue, then the Board should take more control over how the Arts Council was structured. Commissioner Vanderbeck agreed that it would be better to address the Arts Council in the economic development arena. Chairman Lucier pointed out that the non-profit boat had been missed and the Board could now think about how the Arts Council should be structured and accountable.

Chairman Lucier recommended inviting the larger fire departments to attend. Commissioner Vanderbeck noted that it was becoming more difficult to find volunteer firefighters. He wondered when the Board would begin to discuss creating a County-wide fire department. Commissioner Kost noted that the fire departments own their property, which would make that difficult to do. The County Manager agreed that the trend was in that direction, however, and he told the Board that he had requested a copy of Orange County's study. Commissioner Vanderbeck suggested getting a broad-based taskforce together to look at the possibility, and Commissioner Lucier expressed support for that idea.

COOPERATIVE EXTENSION SERVICE

A discussion was held on the Cooperative Extension director position, which would be vacated when the current director, Glenn Woolard, retires. It was noted that this position would be frozen for six months unless someone was promoted from within. But then there was a possibility that the position would be eliminated, the Board said.

RECESS

Commissioner Kost moved, seconded by Commissioner Vanderbeck, to recess the Budget Session until Thursday, June 04, 2009 at 9:00 AM in the Henry H. Dunlap Building Classroom, 80 East Street, located in Pittsboro, North Carolina. The motion carried five (5) to zero (0), and the meeting was adjourned at 2:15 PM.

George Lucier, Chairman

ATTEST:

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