
Minutes
Cumberland County Board of Commissioners
January 19, 1999, 8:30 AM
Special Meeting with the County Legislative Delegation

PRESENT:

Vice Chairman Ed Melvin

Commissioner Talmage Baggett

Commissioner Breeden Blackwell

Commissioner Billy R. King

Commissioner H. Mac Tyson II

Commissioner J. Lee Warren, Jr.

Cliff Strassenburg, County Manager

James Martin, Deputy County

Manager

Juanita Pilgrim, Asst. County Manager

Neil Yarborough, County Attorney

Grainger Barrett, Senior Staff Attorney

Amy Cannon, Finance Director

Finance Department Staff

Marsha Fogle, Clerk to the Board

ABSENT:

Chairman Thomas B. Bacote

Vice Chairman Ed Melvin called the meeting to order. The meeting was called to discuss legislative issues affecting Cumberland County.

Cliff Strassenburg, County Manager, presented an overview of the County's financial position and its effect on the FY 2000 budget.

	Estimated Revenues for	
FY2000:	\$	195,392,638

Expenditures:
209,085,724

DEFICIT:	\$
13,693,086	

Components of the Shortfall:

	Annualized Performance Pay:	
\$	701,313	
	Salaries - new libraries	
	286,524	
facilities	Operating expenses/new	
	1,767,744	
	(schools, libraries, community corrections center, Y2K)	
jail)	Debt Service (schools &	
	6,437,333	
Balance	Fund	4,419,274

Increase	Value of \$.01 Property Tax	
	\$	1,114,927

deficit:	Property Tax Increase Required to meet the
	12.3 cents

\$	Potential of 1 cent local option sales tax (all county):
23,093,366	
	(food tax has not been deducted from this figure)
	Required for \$82M of \$98M school bond

debt 7,723,410

Available for other county

debt: \$ 15,369,956

Potential of 1 cent local option sales tax (county & municipality

sharing) \$ 23,093,366

(food tax has not been deducted from this figure)

Municipal

Share: 7,309,746

Net County Revenue:

15,783,620

Required for \$82M of \$98M school bond

debt: 7,723,410

Available for other county

debt: \$ 8,060,210

Potential of 1 cent local option sales tax (all county for three quarters in FY

2000) \$ 17,320,025

Required for \$82M of \$98M school bond

debt: 7,723,410

Available for other county

debt: \$ 9,596,615

Potential of 1 cent local option sales tax (county & municipal sharing for three quarters in FY2000:

\$ 17,320,025

Municipal

share: 5,482,310

Net County

Revenue: \$ 11,837,715

Required for \$82M of \$98M school bond

debt 7,723,410

Available for other county

debt: \$ 4,114,305

Some critical features of the 1 cent Local Options Sales Tax Legislation are:

- n must be enacted ASAP - preferably before March 1, 1999;
- n must be made effective ASAP - preferably before 6/1/99 in order to receive 3 quarterly payments;
- n can not have requirement for referendum;
- n money to be used for **all** county infrastructure needs;
- n no sunset provision;

IMPACT OF THE 1 CENT LOCAL OPTION SALES TAX - ALL COUNTY FOR 3 QUARTERS IN FY 2000

\$17,320,025	Sales Tax = Property Tax	15.5
cents		
13,693,086	Revenue shortfall	-
12.3 cents		
\$ 3,626,939	Revenue to be reserved for balance	3.2
cents	of \$98M school debt	

IMPACT OF THE 1 CENT LOCAL OPTION SALES TAX - COUNTY/MUNICIPALITY SHARING FOR 3 QUARTERS

\$11,837,715	Sales Tax = Property Tax	10.6
cents		
13,693,086	Revenue Shortfall	-
12.3 cents		
\$ 1,855,371	Required from other sources	- 1.7
cents	to balance the budget: no reserve for additional school debt service	

Mr. Strassenburg noted that the County is also interested in having available a menu of revenue sources to choose from and would very much like to see the State restore state funding for school utilities.

Representative Bill Hurley said he believed the time is now for another

penny. He said it will be important for the General Assembly to feel the pressure to approve the local option sales tax. Senator Tony Rand said he was supportive of the tax and he felt all of it should go to the County. He did however indicate he did not believe adoption would come in the next month. He also noted the food tax has been repealed. Representative Mary McAllister noted support of the local option sales tax as did Representative Ted Kinney. Mr. Kinney said he did not think the tax should be shared. In addition, Mr. Kinney, noted the importance of being specific about what the local option sales tax would be used for.

Commissioner Lee Warren asked that the tax not be shared. He also noted he would not support the land transfer tax as a revenue option.

Commissioner Breeden Blackwell stated he had attended the Legislative Goals Conference last week. He noted the one cent local option sales tax was hotly debated. The Association voted to support the local option sales tax, allowing the General Assembly to make the decision on distribution.

Commissioner King noted the figures reviewed by the Manger are very real and Cumberland County needs the revenues from a sales tax. He urged the Delegation to be supportive of the county receiving the entire revenue from the tax.

Commissioner Baggett asked how the Delegation felt about the passage with a requirement of a local referendum. Members of the delegation indicated they did not see a need for a referendum.

Commissioner Talmage Baggett closed the meeting with a prayer.

MEETING ADJOURNED: 9:10 AM

the Board

Clerk to

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