



# Chatham County, NC

## Meeting Minutes

### Board of Commissioners

---

Tuesday, January 7, 2025

9:00 AM Chatham County Agriculture and Convention Center

---

#### Board of Commissioners Annual 3 Day Budget Retreat

Day 1 - January 7, 2025 (begin at 9am, lunch break at noon)

Day 2 - January 8, 2025 (begin at 9am, lunch break at noon)

Day 3 - January 9, 2025 (begin at 9am, lunch break at noon)

**Present:** 5 - Chair Karen Howard, Vice Chair Katie Kenlan, Commissioner David Delaney, Commissioner Franklin Gomez Flores and Commissioner Amanda Robertson

### CALL TO ORDER

*Chair Howard called the meeting to order at 9:02am on Tuesday, January 7, 2025.*

### BOARD PRIORITIES

[25-0001](#)

Review Ground Rules

**Attachments:** [Ground Rules](#)  
[Guidelines for Productive Meetings](#)  
[Eight-Behaviors-for-Smarter-Teams](#)

*County Manager Bryan Thompson reviewed the following Guidelines for Productive Meetings with the Board of Commissioners:*

*The following ground rules have helped make meetings more productive:*

- 1. Participate fully. It's alright to disagree. Everyone should have the opportunity to state his or her own views, regardless of rank or other differences.*
- 2. Work on the problem. Put other issues aside, including personalities, offices, or other differences. Show respect for each other.*
- 3. Focus on interests, not positions. Explain why you favor a particular course of action. Invite questions so you can explain your reasons fully. Balance advocacy and inquiry.*
- 4. Share all relevant information. Be specific. Agree on what important words mean. Discuss "undiscussable" issues.*
- 5. Stay focused. Discuss a topic long enough for everybody to be clear about it.*
- 6. Decide how the group will make decisions. Use a decision-making rule that generates the level of commitment needed.*

**This Agenda Item was received and filed.**

[25-0002](#)

## Review Roles and Expectations

**Attachments:**     [BOC Expectations Document](#)

*County Manager Bryan Thompson stated that each year the Board of Commissioners reviewed the roles and expectations of each other, Chairperson, Vice-Chairperson, Committee Liaisons, County Manager, County Attorney, and Clerk to the Board.*

*The Board of Commissioners reviewed and discussed the roles and expectations. Discussions included the procedure for adding items to an agenda, how the Board of Commissioners interacts with the County Attorney, how they communicate with each other, and open meeting laws.*

*The consensus of the Board of Commissioners was there was no procedural issues with the roles and expectations.*

**This Agenda Item was received and filed.**

[25-0003](#)

## Discussion of the Board of Commissioners Goals and Priorities for FY2026

**Attachments:**     [FY2025 Commissioner Goals and Priorities](#)

*County Manager Bryan Thompson stated, at the beginning in 2017 and continuing into the current budget year, the Board of Commissioners adopted Plan Chatham goals and added three additional goals. Thompson shared the complete set of goals adopted as follows:*

*Plan Chatham Goals:*

- 1. Preserve the rural character and lifestyle of Chatham County, Preserve, protect, and enable agriculture and forestry.*
- 2. Promote a compact growth pattern by developing in and near existing towns, communities and in designated, well-planned, walkable mixed-use centers.*
- 3. Diversify the tax base and generate more quality, in-county jobs to reduce dependence on residential property taxes, create economic opportunity and reduce out-commuting.*
- 4. Conserve natural resources.*
- 5. Provide recreational opportunities and access to open space.*
- 6. Provide infrastructure to support desired development and support economic and environmental objectives.*
- 7. Become more resilient by mitigating, responding and adapting to emerging threats.*
- 8. Provide equitable access to high-quality education, housing, and community options for all.*
- 9. Foster a healthy community.*

*Additional Commissioner Goals:*

- 1. Demonstrate sound fiscal stewardship to ensure we can meet the important service needs of our residents.*
- 2. Provide effective, efficient government that is responsive to the different needs of residents and varying circumstances across the county. Mitigate the impacts of poverty among individuals and households in the county through programs and services that promote stabilization and resiliency.*
- 3. Ensure public safety through adequate resources, plans, and partnerships to keep people and property safe.*
- 4. Strengthen relationships with other boards, municipalities, and regional entities to address common challenges and opportunities.*

*Commissioner's Areas of Focus:*

*At the 2023 Board of Commissioners retreat, the Board of Commissioners indicated several key areas of focus for the County to prioritize in fiscal year 2024 and beyond:*

- 1. Local Economic Development Initiatives*
- 2. Partnerships*
- 3. Diversity, Equity, and Inclusion*
- 4. Affordable Housing*
- 5. Unified Development Ordinance (UDO)*
- 6. Health Initiatives*
- 7. Broadband Access*
- 8. Organizational Excellence*
- 9. Transportation*
- 10. Natural Resources*

*Departments and Commissioner Goals:*

*County departments with similar missions formed teams to provide better focus on the achievement of these goals. To make the numerous goals, objectives, and strategies of Plan Chatham easier to track and address, high-level themes were identified and adopted by each team:*

- 1. Safe, Vibrant, Healthy Community*
- 2. Demand Driven Public Services*
- 3. Growth and Resource Management*
- 4. Organizational Excellence and Resiliency*
- 5. Data and Technology Gaps*

*The Board of Commissioners discussed the goals and priorities and tweaked some.*

*Commissioner Robertson stated that she would like to see a goal around how to address issues of climate change and climate justice. Climate change has many impacts within our community at large, climate change has enormous impacts, including environmental justice issues, but at a high level it may be just something phrased as simply as addressing the impacts of climate change, but she is open to other phrasing.*

*Commissioner Gomez-Flores stated that he agreed that finding or identifying methods that incentivize conservation, as in the landowner making a personal decision to conserve beyond the mechanisms that we already have in place, for example, the preservation fund is not big, but if we were able to have or facilitate collaborations between private and public to have conservation credits.*

*Chair Howard stated if the intent is to have climate conscious adaptability, then that would tie back to the healthy community goal.*

*The Board of Commissioners discussed adding a climate change goal or area of focus and discussed having a larger conversation with others.*

*County Manager Bryan Thompson stated that Staff can work on language that captures this and bring it back to the Board of Commissioners. Thompson asked if the wording should include climate change impacts, resiliency, climate justice, and mitigation commonly through all goals. Thompson stated that he could go back Staff and work with the regional partners.*

*Commissioner Delaney stated that perhaps we should have a work session with Staff*

*and the Advisory Committee to come up with a climate strategy. The other board members felt the board should have an initial conversation and there may be work already done around the region. Thompson stated that there may be work already being done in the region that we can tap into. Commissioner Kenlan stated that we should connect with the Duke Policy Lab and Central Pines Regional Council of Governments on the work they have done.*

*The Board of Commissioners discussed Staff researching and coming back with some short-term language that incorporates the sentiment in an appropriate area.*

*Commissioner Delaney stated that perhaps start by adjusting the Natural Resources item under areas of focus to Climate Change and Natural Resources. Commissioner Robertson stated that she would prefer it to be separate from Natural Resources in order to work towards something that gets resolution.*

*Commissioner Delaney made a motion to add to our commissioners' areas of focus for 2025, an item on that is listed that says climate change. Commissioner Robertson agreed. Chair Howard stated that she would like to see what staff comes back with that would incorporate climate change into the full document. Commissioner Delaney asked if there was a second to his motion. Commissioner Robertson stated that she would make a second to the motion, but she agrees with Chair Howard on having staff integrate climate change into the full document.*

*Commissioner Gomez-Flores stated this would be a first step that the Board of Commissioners could do today. Thompson replied that was his understanding that we have captured with the motion that we would bring this back more robust language that is a bit more explicit about the definition of climate change.*

*Chair Howard stated that there was a motion and a second and called for a vote. The motion was unanimously approved.*

**A motion was made by Commissioner David Delaney, seconded by Commissioner Amanda Robertson, to add to the Board of Commissioners' Areas of Focus for 2025, an item listed as climate change and staff would bring more robust language that is a bit more explicit about the definition of climate change back. The motion carried by the following vote:**

**Aye:** 5 - Chair Howard, Vice Chair Kenlan, Commissioner Delaney, Commissioner Gomez Flores, and Commissioner Robertson

## **Discussion of the Board of Commissioners Goals and Priorities for FY 2026**

*County Manager Bryan Thompson asked if there were any other goals or priorities that the Board would like to add for FY2026.*

*Commissioner Delaney stated he would like to look at how these goals fit with a strategy that we have overall and get looking forward in some significant ways. Delaney continued, he would like to have a detailed strategic plan, like the school system where there is a public discussion and engagement on all aspects moving forward, and he feels it might be time for the board to have that as well. We want to have the staff's expertise in choosing a good strategic model for getting these into a looking forward kind of document.*

*Commissioner Delaney made a motion to task staff to come back with proposed models to develop a Chatham 2050 strategy that moves the county from this page of*

material into a forward-looking specific document.

Chair Howard asked what that would look like. County Manager Bryan Thompson noted that trying to understand how to operationalize that, for instance, one of the Plan Chatham goals is provide equitable access to housing and community options for all. So, we do have a strategic plan for our affordable housing program. That is one small element to a larger body of work which is Plan Chatham, and we might find that we do have in one form or fashion in some of these already. Not all of them, but strategic plans that have been developed that are relevant to some of these issues, but this may be more meta.

Commissioner Delaney stated this approach reflects the School of Government materials and teachings on the topic of what is a strategic plan for a county and there is input and expertise from the board. There is input and expertise from the county government employees and the advisory committees. It looks a lot like what Chatham County Schools is already doing, that is something that people can access any point of it, whether it's affordable housing as one aspect and learn what the county is doing and then be able to engage with those issues and know where things stand on a more regular basis. For example, the Chatham County School strategy says specifically what percentage of fulfillment or accomplishment. They are on each goal leading up to an overall strategy. We do not have that kind of thing even for the Plan Chatham goals. There is no tracking of Plan Chatham. My suggestion is to come back on the areas that are still important and need to see forward progress on so that everyone can access the conversation going forward.

Commissioner Delaney repeated his motion. Commissioner Robertson stated that she felt that may be too specific because you are setting a date of 2050, but did agree that we do not do a good job communicating our measurements.

Chair Howard stated that we are very different from the Chatham County School System, and for her, Chatham County Schools would just be one department. The Health Department does a strategic plan, and it is trackable, measurable, it changes, it evolves, and that is very different than saying the county has a strategic plan. What would that look like.

Commissioner Gomez-Flores asked if Commissioner Delaney was asking for a progress report, a chart, or a list of things that lay out where we stand on any particular point and time. Commissioner Gomez-Flores stated he would be interested in that, but it would be very feasible to say in the next twenty-five years something would be in place with a due date. Commissioner Delaney replied that one thing would be tracking, but the other would be to do strategic planning.

Chair Howard asked the County Manager if he feels like Plan Chatham is not a strategic plan. She feels that Plan Chatham does measure objectives, and the Board receives reports on where we are with our goals. County Manager Thompson replied that we have a number of goals in Plan Chatham that we do have data captured, but Staff can go back and revisit. Thompson shared examples of conservation and asked Commissioner Delaney if that would be helpful.

Commissioner Delaney stated that it is a part of it, but he wants the county to be best in class, the county currently uses a land use plan is a strategy, but strategic planning is bigger and includes other things, Plan Chatham is not everything. Chair Howard stated that she disagreed that the county does not have a strategic plan, land use is just part of Plan Chatham and Staff uses it in such a way, and it is aligned with the

Commissioner's goals. The Board is working toward those goals in a strategic way. Commissioner Robertson stated that the affordable housing goals are a moving target, but adding a deadline to it is vague and unattainable. Commissioner Kenlan commended Commissioner Delaney for taking the School of Government Strategic Planning class and hoped he would continue to take more courses, but this is a really complex issue, and she is wondering how we are sharing what we are accomplishing and how we are telling our story. Commissioner Kenlan stated that she agreed with Commissioner Gomez-Flores about the idea of a dashboard that is shared out with our accomplishments. Commissioner Gomez-Flores agreed that he would be interested in some form of visual that would show our accomplishments and the progress of our goals.

Commissioner Delaney stated that someone needs to formally second the motion, then he can adjust the motion. The Board of Commissioners continued to discuss what a dashboard would look like and how to measure the goals other than the reports received throughout the year. County Manager Bryan Thompson stated that what he is hearing is there is some deficit of how we tell our story and maybe there is something that Staff can do when we send out those reports to keep the goals and measurement from and center where it is readily assessable information and how it ties into the goals set by the Board of Commissioners. The Board of Commissioners agreed that something visible for the public would be a good communication tool to direct people too.

Commissioner Delaney asked where that leaves us since there is an interest in the visual representation. Commissioner Delaney stated that there is still a motion on the table that he would amend to ask the manager to bring back options for developing a strategic plan or to assess the strategic plan literature and come back to us and ensure that we have opportunities for visual tools to track progress on any goals. Commissioner Gomez-Flores stated that he did not know if there was interest in the first part of the motion for the strategic plan.

The Board of Commissioners discussed amending the motion. The motion failed due to a lack of a second.

Commissioner Gomez-Flores made a motion to instruct Staff to create or to begin the process of creating a visual representation that tracks our progress of our goals. The motion was seconded by Commissioner Kenlan and unanimously approved.

The Board of Commissioners recessed for a short break at 10:07am.

**A motion was made by Commissioner Franklin Gomez Flores, seconded by Vice Chair Katie Kenlan, to instruct Staff to create or to begin the process of creating a visual representation that tracks the County's progress of goals. The motion carried by the following vote:**

**Aye:** 5 - Chair Howard, Vice Chair Kenlan, Commissioner Delaney, Commissioner Gomez Flores, and Commissioner Robertson

## **Review Roles and Expectations Continued**

The Board of Commissioners reconvened at 10:23am on Tuesday, January 7, 2025.

Chair Howard stated that one of the board members wanted to go back to the roles and expectations item.

*Commissioner Delaney stated I just wanted to make sure I didn't miss a discussion that the board has had in the past about the board's coordination as a board and as individuals with the county attorney. Delaney stated that he knows in the past the board has talked about that, and he had a request that each member agree to a particular way that the board functions in that area and he wants to make sure that the new member have the same understanding of how we communicate with the county attorney.*

*The Board of Commissioners reviewed the current roles and expectations of the county attorney which include:*

*Expectation of County Attorney:*

*Seek out implications of ordinance changes.*

*Be diligent on details of law.*

*Provide unbiased legal advice.*

*Provide timely follow-up and progress reports on legal matters.*

*Provide support for the board chair to manage BOC meetings, i.e. procedure.*

*Advise on legal issues, even if we do not ask.*

*Help members ascertain legal grounds on issues that might arise or are being considered.*

*County Attorney Expectations of the Board of Commissioners:*

*Please provide full information when asking for legal advice/questions.*

*Do not share confidential information outside of closed sessions.*

*The BOC has agreed that if one commissioner goes to the attorney, the attorney will respond to all if the commissioner asks or agrees, unless the attorney has an ethical obligation to do so.*

*Do your best not to surprise the attorney in public.*

*Identify and discuss possible conflicts or ethical issues in advance.*

*County Manager Bryan Thompson stated that in the past the county attorney Bob Hagemann has had conversations with the board to make sure we have an alignment with those expectations.*

*County Attorney Bob Hagemann stated that he recalls those conversations and asked Commissioner Delaney if he was proposing as a change.*

*Commissioner Delaney stated that he remembers some past conversations about how the board interacts and prepares for public conversations and how the board coordinates with the county attorney on legal issues. Delaney knows that the board has separately had a mutual agreement among all of the members about how and when there might be a one-on-one communication with the attorney. Commissioner Delaney stated that he would like to revisit that conversation and make sure all of the board members have the same understanding.*

*County Attorney Bob Hagemann described the two variations of how an attorney engages with the boards, one is the attorney only communicates with the full board. Hagemann stated that he has found that approach prevents individual board members to utilize the attorney that benefits them individually in the board collectively. Hagemann reminded the board that the client is the county, whenever anybody comes to me and says keep this between us there is no attorney client privilege between me and any one of the board members. Hagemann stated that his experience has been, if he did that, he would not be a resource, if a board member wanted to float a preliminary policy idea. Hagemann stated that his philosophy, that he has practice in*

Chatham County, is that he is available for those conversations, but if he's told something that may put the county at risk, he has the ethical obligation to protect the county by sharing with the full board.

Commissioner Delaney stated that his thinking has shifted on working under that approach and how board members engage one on one, and how they maintain fidelity with each other about concerns, and making sure that the public under open meetings law is part of the deliberation. He has a concern about individuals going to the county attorney and developing ideas and thinks that legal issues should come to the board meetings with all board members should have an equal part in the development of the agenda and the way that we talk about these issues. Delaney stated instead of enabling a subset of the board to have some range of knowledge and insight on a particular topic, then developing that with others outside of the public meetings. Delaney stated that his interest is not to diminish the opportunity for individuals, but as a group to learn the law and to have a group discussion. Delaney stated that it will be his practice moving forward to not individually asking legal advice of the county attorney.

Chair Howard stated that the basic legal principle would not be that one board member can overrule the ability of the rest of the board to do anything, it would just be a simple majority of the board. Chair Howard stated that if Commissioner Delaney wanted to change his practice of engaging with the county attorney that was fine, but she did not see the need for any policy change for other board members to reach out to the county attorney individually to develop those ideas and speak collectively with other members to develop those ideas before we bring them to the full board. Chair Howard stated that she felt that this was part of the work of the board to build a consensus before you come to a meeting and waste the public's time, but there is no reason to believe that because an individual board member does not want to exercise the practice that it should affect the rest of the board.

Commissioner Kenlan thanked Commissioner Delaney for clarifying how he is thinking about having public discussion and asked if he had changed his proposal from earlier in the year to have a regular closed session with the attorney and asked what prompted the change. Commissioner Delaney replied that a closed session can only be held for very specific reasons and to go into closed session regularly would be for those topics and there would be dedicated time on the agenda to have open legal discussion, instead of going individually to the attorney, that way we are making the public aware. Chair Howard said it seems like a misuse of the board, public, and staff's time and feels that the practice now works.

Commissioner Delaney stated that he thinks it works for some individual, but he has found it a challenge when some ideas are almost fully developed when they come to the board for consideration and individual board members have been informed about them and this disadvantages some board members to the preferences of other board members and it also precludes the public from seeing and hearing how these issues are coming into development. His concern is that deliberations are happening outside and being circumvented in part by getting all the information we need to know including legal information outside of the public meeting. His goal is transparency and to look for best practices and not malign or impute anybody by doing the best job implementing the open meetings law, our ethics code, and address those things together. Commissioner Delaney continued that it is not for any one commissioner to set a requirement for others.

County Attorney Hagemann stated that individual commissioner conversation does not



*happen a whole lot, that he is not having daily conversations with commissioners. Hagemann stated that the board has seen him give legal advice and he exercises judgment. Sometimes that needs to be done in closed session, which is on rare occurrence, but if he were to share legal advice publicly that could put the county at risk, which would concern him.*

*Commissioner Kenlan stated that she is not interested in making a change based on the county attorney's experience and knowledge of the complex issue of how people develop trust, and it is important to have someone you feel comfortable exploring ideas with so that you can come to the meeting prepared and help with the goals of the board.*

*Chair Howard stated that it seems like trying to fix a problem that does not exist. We have an attorney who is extremely professional in his relationships with all of us and works well with staff and our advisory boards and committees, who is incredibly talented and bright and if something needs to be brought to the board he will do it. Howard continued that the board had conversations in public, as we are doing now, and it feels like a little background of paranoia that does not exist. The board has a really good relationship with staff, with the attorney, and with each other. This board has done a really good job of keeping public matters in front of the public and there is nothing amiss here. Howard stated that she is very proud of the work that this board does in making sure that we have those difficult sometimes public conversations.*

*Commissioner Delaney stated that he would like to raise a point of order and say that he would like greater courtesy and respect to be shown to each other and it would be good to start that now and has been something that we can improve on, and he is not suggesting any nefarious intent and he does not appreciate being characterized as anything negative. Delaney continued that he had previously brought it to the county attorney and previous chair's attention as an awareness that he was planning to change course because he did not feel like it was the best thing for him, and he wanted to make the rest of the board aware. Delaney stated that he had been in touch with the county attorney much more regularly than other board members and he would not be doing that anymore.*

*County Attorney Hagemann stated that he would leave it up to each commissioner on how they want to engage with him.*

## **Discussion of the Board of Commissioners Goals and Priorities for FY 2026 Continued**

*The Board of Commissioners continued the conversation around the FY2026 goals and priorities.*

*Commissioner Gomez-Flores asked if the county could increase public engagement and social media. Assistant County Manager Carolyn Miller replied that staff is doing a few things to increase capacity which include a new software and tool to share areas of focus for more visibility in both English and Spanish. Staff are continuing to develop other topic specific items like Unified Development Ordinance and the Aging Plan.*

*Commissioner Delaney stated he would like to add a topic of a more deliberate plan for the future of Northeast Chatham and the unincorporated space and concerns from residents about the future for the area. Delaney continued whether it is infrastructure, property taxes, or affordable housing, how these things come together and are being planned.*

*The Board of Commissioners continued to the next item on the agenda.*

[25-0004](#)

Receive an Overview of Budget and Financial Policies

**Attachments:**

[Budget Process](#)

[Financial Policy](#)

[Appendix A--Financial and Budgetary Policies January 2024](#)

*Assistant County Manager Darrell Butts shared the purpose of a budget, and the county's goal with the budget process. Butts shared a few key takeaways including good stewardship is the overarching goal, forecasting revenue and expenses is a tool for decision making and as a way to measure performance. Chatham's approach emphasizes collaborative problem solving, budgeting is a year-long process.*

*Butts and Finance Officer Roy Lynch shared an overview of the budget and financial policies. The objective of the budget policies is to manage the annual budget to meet legal and debt obligations, ensure adequate funding of current service levels, meet priorities of Board of Commissioners, maintain the County's financial condition, and keep property tax increases to a minimum.*

*Butts and Lynch shared the objective of the debt policies which included managing debt obligations to meet demands for capital facilities while striving to maintain or improve the county's current bond rating, and the fee and user policies which included setting fees and user charges to recover the costs of services at a predetermine recovery threshold and thereby reduce reliance on property taxes.*

*Butts and Lynch shared the capital improvement plan policies which included planning for capital needs at least seven years into the future in order to address needs and to earmark revenues and the fund balance policies which included recurring operations expenses of the county being funded through recurring revenue sources. Fund balance is considered one-time revenue. The county shall maintain unassigned fund balance in its general fund equal to twenty percent of the previous annual operating budget in order to meet emergency obligations, avoid interruptions in cash flow, generate interest income, and maintain investment-grade bond rating.*

*Butts and Lynch shared the objective of capital reserves which is to strive to fund capital improvements on a pay-as-you-go basis in order to enhance its financial condition and bond rating and the cash management objective is to effectively manage its cash resources in order to maximize interest earnings and minimize loss of revenue.*

*Butts and Lynch reviewed the objective of accounting and financial reporting to establish and maintain its accounting system in accordance with the NC Local Budget and Fiscal Control Act.*

*The Board of Commissioners discussed the budget and financial policies including cash flow management, investment policy, fund balance, and an incentive for paying taxes early.*

**This Agenda Item was received and filed.**

[25-0005](#)

Receive a presentation on the History of the Boards and Committee Board  
Liaison Roles and Appointments

**Attachments:**     [History of Board Liaisons Presentation](#)  
                              [White Paper History of Liaisons](#)

*Policy Analyst Brenton Hart shared a white paper and reviewed the history of board liaisons roles to advisory committees with the Board of Commissioners.*

*Hart shared the historic definition, throughout the minutes and on the current board and committee assignments list Board of Commissioner Liaison is identified by: "serves as a member of or liaison to several volunteer committees or boards focused on specific county issues and the list provides guidance on the most appropriate commissioner to contact about a specific issue".*

*Hart stated that the Board Liaison assignments span a wide range of organizations, encompassing diverse types such as: State Statutes, the Advisory Committee Policy, Ordinance, Resolution, Membership Associations, and Non-Profits.*

*Hart stated that the purpose of the Board Liaison Program was to address a need for effective oversight, communication, and coordination. Key objectives at development (before staff liaisons) included: keeping the Board of Commissioners informed on critical issues, provided the advisory boards with a clear point of contact, maintain transparency and accessibility. Hart noted that the roles are primarily non-voting, with a few exceptions.*

*Hart shared details about the initial development of the program in 2000, which included on appointments began and for the specific needs (e.g., Orange-Chatham Justice Partnership), formalized the Board of Commissioners liaison assignments started in 2006. These actions reflected the growing scope of county operations at the time with no identified staff as there are now.*

*Hart stated with the growth of the county between 2007 and 2010 that meant an increase in assignments and some commissioners assigned to multiple roles, which the county has dedicated staff now. Challenges then included transparency issues, administrative conflicts, and workload distribution.*

*Hart shared between 2011 and 2013 key refinements were made, which included the clarified board liaison as a communication conduit to the full board and not individual decision makers, policy and action requests should be directed through the full board, and the Board of Commissioners at the time had a discussion on the extent of involvement.*

*In 2016, Hart stated that additional guidelines were introduced, including development in clear reporting duties for the board liaisons, established a non-involvement in advisory board operations, and reflected the Board of Commissioner's majority position for voting assignments.*

*With the modernization from 2019 to present, Hart said that the program evolution included streamlined assignments, focus on strategic engagement which were aligned with the goals of the Board of Commissioners, and some updates were made in 2023 which indicated the evolving needs.*

*Hart shared some key observations, the evaluation of roles, over time as staff liaisons were added, there has been a shift from decision-making to communication and representation for the Board of Commissioners liaison roles. The workload efficiency is unevenly assigned, assignments have increased. Role requirements vary broadly*

*based on the organization and board being liaised.*

*The Board of Commissioners discussed the liaison roles. Discussion included the idea of aligning them as we do with the CIT groups, charting out each committee and the responsibilities, whether the board liaison is necessary now that the county has staff, the difficulty of a board member sitting in the room and not participating, information coming from staff instead of the board liaison, the relevancy of the board liaison role, staff and management's role to recognize and bring items to the boards attention that then allows the board to assess together.*

*The Board of Commissioners discussed having a board point of contact instead of a liaison and what that would mean with a solid definition, reviewing all of the boards and committees, the idea of a commissioner distracting the committee and staff by their attendance.*

*The consensus of the Board of Commissioners was to have staff re-examining how many boards or what boards need liaison and the best way to communicate whether it be by email or annual reports, commissioners attending committee meetings. The next steps included going through the committees and identifying which need assignments, updating the application, identifying what the value to the committee members.*

*Chair Howard stated that the process of appointing individuals to committees and how they interact with staff should be in a respectful way. Chair Howard stated that the decision of who is appointed falls back on the full board and she would like the board to choose individuals thoughtfully. Commissioner Delaney asked if she was referring to recent emails received by the planning board. Howard replied that the board is responsible for appointing individuals to boards and committees and ninety-nine percent of them are respectful and they recognize when there is disagreement that you still treat staff with respect. Commissioner Delaney asked for clarification and was Chair Howard speaking of the recent planning board emails. Chair Howard continued that it is important that the Board of Commissioners research individuals upfront for this essential work.*

*Commissioner Delaney made a motion that the Board of Commissioners ask staff to conduct a review of our discretionary committees overall including getting appointee and staff feedback and perspectives on their engagement in the committee and board.*

*Commissioner Delaney continued that if there are concerns about particular appointees, that we have mechanisms within our procedures as a board on these issues are discussed. No one has approached him about any concerns.*

*The motion failed due to a lack of a second. Commissioner Delaney stated that in the future he would like to see the board follow the process where we look for a motion and a second and then discuss rather than having general conversation.*

*County Manager Bryan Thompson asked to read back the direction from the board on the subject. The Board of Commissioners' direction is to get the boards and committees information together, including vacancies, description and purpose for each of those committees and boards, the application process and application. Thompson asked if the Board of Commissioners wanted staff to engage with the committee members to get their input. The consensus of the board was to hold off on that until after this process is complete.*

*Thompson asked about another item that's come up is how the committees are*

reporting to the board and what the best way is to hear from those committees. The Board of Commissioners showed interest in the committees submitting a written one-page document about the accomplishments, then a collective packet goes out to the Board of Commissioners rather than a trying to schedule presentations or have standard questions that the board wants to find out from each committee on how well they are functioning and the best way to collaborate.

The Board of Commissioners recessed at 12:29pm for a lunch break

**This Agenda Item was received and filed.**

## 25-0006

Receive a Sustainability Update

**Attachments:**     [Sustainability Presentation](#)

The Board of Commissioners reconvened at 1:18pm on Tuesday, January 7, 2025.

Environmental Quality Director Kevin Lindley shared an overview of the sustainability program and accomplishments in the county. Lindley stated with climate and resilience, the Sustainability and Finance staff have filed with the IRS for over \$218,000 in the Inflation Reduction Act direct pay funds. The projects included two solar panel systems, two electronic vehicle charging stations, an electric vehicle for the Parks and Recreation department, and a geothermal HVAC system. Chatham was awarded funding from the federal Climate Pollution Reduction Grant to build electric vehicle charging stations. Overall utilization of the electronic vehicle charging infrastructure has increased. Lindley stated that the Greenhouse Gas Inventory project for 2023-2024 has begun and the sustainability intern is gathering data now and will be presenting the results to the Board of Commissioners in the spring. Lindley stated that it is important to document this time, is prior to the addition of Wolfspeed, Vinfast, MetOx, and the associated development these major projects will likely bring. Lindley stated that the Enpira dashboard for energy tracking is in draft form and staff is verifying the data model. The aggregated power and natural gas data Enpira collected has already been used to apply for an Energy Efficiency and Conservation Block Grant through the State Energy Office.

Lindley shared an update on the first heat season with the Chatham County Heat Action Plan, which included pre-heat season kick-off meeting occurred on April 25th, bringing together various county departments, the Town of Pittsboro and Siler City staff, Chatham Hospital, and several community-based organizations. Developed educational materials about preventing heat-related illnesses and ongoing monitoring of heat-related illness emergency calls. Programming for assisting families with high energy bills, from cooling and distributing box fans to those without AC. Established cooling centers with water and seating at the three libraries. Created misting stations at county parks for those unable to visit the cooling centers. Entered into collaboration with local governments around the state to strengthen our Heat Action Plans.

Lindley stated that there are ongoing collaborations to use the awarded Energy Futures Grant funds to establish the three libraries in Chatham County as Resilience Hubs. Chatham County Waste Reduction & Recycling Enthusiast Program (WREP) has begun, and the first class has graduated from the training program. The Waste Composition Study has been completed for 2024. The results have been posted to the Solid Waste & Recycling website. Several of the key findings from the study were included in the flyer that will be mailed with the new decals in February 2025. Signage installed to promote safety on the Haw River, project included in Regional Resiliency Portfolio from Central Pines Regional Council.

*Lindley stated that the Conservation Working Group purpose is to bring together departments addressing the County's environmental goals on a regular basis to discuss ongoing work and find opportunities to collaborate. The group updates the Board of Commissioners regularly. The Conservation Goals Dashboard and Implementation Plan Project has established consensus and equity-based metrics for Comprehensive Plan environmental goals, develop a public dashboard for tracking progress made towards those goals, and create an implementation plan for achieving remaining goals. Stakeholder meetings have begun, and the contractor is compiling the information gathered from these and the board should expect more updates in the coming months. The Conservation Working Group has joined the Grant Assistance Program at Central Pines Regional Council and will be engaging in a workshop to identify and prioritize projects for large funding opportunities. And Central Pines grant staff has already assisted with several grant applications this fiscal year.*

*Lindley shared activities with watershed protection, including ongoing feasibility study for Advanced Metering Infrastructure (increased data on home water usage, leaks in water utility lines are discovered and addressed faster) New GIS Hub subscription used to develop the "Rivers of Chatham" website, offering real-time updates on safety conditions, info on water quality, and helpful tips for trips along our rivers. "Rivers of Chatham" was showcased at the National ESRI Conference in San Diego. Collaboration with Watershed Protection and GIS to create new symbology for SCMs, watershed protection tab on land records viewer and additional SCM name types. Ongoing feasibility study to address erosion at the South Bynum River Access on the Haw. Education and Outreach is ongoing with four major events so far this calendar year reaching 738 people.*

*Lindley stated that the ongoing development review focused on protecting water quality as growth increases including 880 Erosion Control Inspections, thirty-seven Riparian Buffer Reviews, Four USGS/NRCS Confirmations, and nineteen Stormwater Control Measure Inspections.*

*Lindley stated with the Increased focus on stormwater to account for rapid growth, Staff has worked at developing new online forms to increase efficiency of stormwater review and streamline contact/questions between staff and developers/owners, increasing overall data collection of stormwater control measures., and implemented new process for ensuring adequate documentation of stormwater control measures on commercial projects.*

*Lindley shared the activities around the land. The Farmland Preservation Trust Fund approved the first three awards. The updated Farmland Preservation Plan has been adopted. The Farmland Preservation Workshop in June saw 80 participants. GIS staff have been collaborating with departments to develop new/updated public tools including Parks & Recreation Viewer (filters/layers for amenities, facilities, trails, etc.), Land Records Viewer (filters/layers for floodplains, zoning, cons. easements, etc.), and Conservation Viewer – In Progress (habitat and species data, managed land, etc.). Staff continues the ongoing research on creating public funds for trails and land conservation.*

*Lindley reviewed the ongoing activities surrounding natural resources. The ongoing county-wide Natural Heritage Program Inventory has received permission to survey over 7,000 acres of properties. Parks & Rec and Environmental Quality shared an internship project to develop an invasive species control program for county-owned parks and worked with the State and Chatham Cooperative Extension to restart the*

landfill pollinator project.

Lindley stated that some of the ongoing educational programming include the Chatham Conservation Partnership Webinar on Bumble Bee Conservation with one hundred and fifteen participants, the Chatham Conservation Partnership webinar on Fireflies with one hundred and twenty participants, thirteen Pollinator Garden Tours in Q2 with 330 participants, Landscaping for Pollinators at the Native Plant Conference in Cullowhee with twenty-five participants, Identification of North Carolina Pines Workshop with seventeen participants, and Tree Identification and Forest Ecology Walk at Carolina Meadows with twenty-seven participants.

Lindley stated that Chatham County is being considered by the North Carolina Department of Transportation for a study on creating wildlife crossings around roadways.

The Board of Commissioners shared their excitement with the innovative work staff has completed and continues to do, and thanked Lindley for the presentation. The Board of Commissioners discussed some of the different projects.

**This Agenda Item was received and filed.**

## [25-0007](#)

Receive a Revaluation Update

**Attachments:**     [Chatham Revaluation Update](#)

Tax Administrator Jenny Williams and consultant Jimmy Tanner updated the Board of Commissioners on the reappraisal program.

Williams stated that the computer assisted mass appraisal system conversion and schedule of values are complete. They are doing a final value review and then they will be mailing the value notices, then start the appeals process.

Tanner stated that the expected range of increase is between forty and sixty percent on average but could vary from neighborhood to neighborhood and from property to property if new construction is added, renovations or remodeling has been done, and if the previous value was incorrect. Vacant land has a different scale and depends on location, change of use, and the previous values.

Tanner shared that the timeline to completion. Value review will take place through the end of February, value notices will be mailed in early March, and appeals will be processed until they are completed.

Williams stated that the appeals will be done through the Tax Reappraisal Office and formal appeals will go before the Chatham County Board of Equalization and Review, the North Carolina Property Tax Commission, North Carolina Court of Appeals, then the North Carolina Supreme Court.

Williams stated that in 2021, there were 1,634 appeals and the Board of Equalization & Review held eleven meetings with the last one on October 14, 2021. The Board of Equalization and Review has five members and three alternates and currently one vacancy for a full-time member and one alternate vacancy.

The Board of Commissioners discussed the vacancy and said they would help get the word out.

*Williams stated that they would be holding public meetings in the upcoming months to discuss the reappraisal process with towns, homeowner associations, civic groups, and churches.*

*Williams stated that there is property tax relief for elderly or disabled and the owner cannot have an income amount for the previous year that exceeds \$37,900 and for the disabled veterans, the program excludes up to the first \$45,000 of the appraised value of the permanent residence.*

*The Board of Commissioners thanked Williams and Tanner for the presentation. The Board of Commissioners discussed the process, including who residents can call, the mandated timeline of the process, how the rate is set, and how difficult this year is going to be, and the idea of a discount for paying early.*

*The Board of Commissioners recessed at 2:55pm for a short break.*

**This Agenda Item was received and filed.**

### 25-0008

Receive a presentation on Public Arts Comprehensive Strategy

**Attachments:**     [Public Art Presentation](#)

*The Board of Commissioners reconvened at 3:08pm on Tuesday, January 7, 2025.*

*Assistant County Manager Carolyn Miller reviewed the Draft Public Art Plan with the Board of Commissioner. The mission of the program is: Chatham County views public art as vital to its cultural and civic life and as such, intends to support and integrate these works into its public spaces. The plan is focused on the areas of programming, rotating installations, capital improvement plan percentage for art, and permanent installations. Public art in county owned spaces should reflect the organization and its values. As such, artwork should align with the adopted core values of the Chatham County organization. The themes include integrity, respect, collaboration, community, service, accountability, and equity.*

*Parks and Recreation Arts and Cultural Program Supervisor Leigh Babcock shared an overview of some of the programming including visual arts, class session, family events, and reflective programming. Some programming is being done through partnerships with the libraries, Solid Waste and Recycling, and Aging Services.*

*Babcock shared the layout and design of the new art space located in the performance building. The space includes pottery wheels, clay slab roller, kilns and classroom space.*

*The Board of Commissioners asked questions of Babcock concerning the programming and expressed their excitement for the new art space.*

*Assistant County Manager Carolyn Miller reviewed the second focus area that involves including a percent of a total hard capital project cost dedicated to the procurement of public art for the space. Considerations include type, function and location of building/project, total capital project cost, and a variable percentage versus a flat amount. Some current projects included the Goldston Library expansion and the Siler City Center for Active Living renovations.*

*Miller shared the third area of focused is on permanent art installation both inside and outside county owned or operated public spaces. Miller shared two possible locations,*



including in front of the performance building and at one of the parks.

Miller stated that the fourth area of focus is temporary or rotating installations. One of the possible locations include the Agriculture and Convention Center. The county has also collaborated with the Town of Pittsboro, who recently applied for a T-Mobile Hometown grant that focuses on East Street from the downtown area to the bypass with designated public spaces.

The Board of Commissioners discussed the locations and thanked Miller and Badcock for the presentation.

At 3:52pm, Chair Howard stated that the Board of Commissioners will recess until Wednesday, January 8, 2025 at 9:00am at this same location.

**This Agenda Item was received and filed.**

## 25-0009

Receive a presentation from Chatham County Schools

**Attachments:** [CCS FY2026 Proposed Budget Priorities & Anticipated Budget Requests](#)

The Board of Commissioners reconvened at 9:00am on Wednesday, January 8, 2025 for day two of the Budget Retreat.

Chatham County Schools Superintendent Anthony Jackson reviewed the 2025-2026 budget requests with the Board of Commissioners.

The request included the following priorities:

1. *Enhancing Workforce Excellence:* Reinstate the Master's Supplement to attract and retain highly qualified employees. Continue investing in a competitive local salary supplement to maintain alignment with neighboring districts and improve staff retention.
2. *Securing Financial Sustainability.* Allocate funding to address anticipated increases in fixed benefits and operational costs, ensuring fiscal responsibility and long-term stability.
3. *Promoting Equity and Student Achievement.* Fully fund the Free Breakfast and Lunch for All Students pilot to foster equity and support student success.
4. *Strengthening Safety and Modernization.* Increase Capital Outlay funding to prioritize preventive maintenance, enhance safety measures, and modernize infrastructure and technology systems.

Jackson stated that the reinstatement of the Master's supplement request of \$250,000 would address the removal of advanced degree pay by the state nearly a decade ago and recognizes and values staff with advanced degrees. Classroom teachers with earned master's degrees are not compensated for this credential unless it was earned before 2018. This would correct pay inequity by providing parity for eligible employees and aligns with the strategic priority of ensuring competitive wages for all staff. Durham, Wake, and Chapel Hill provide this supplement for all teachers with master's degrees, regardless of when they were earned.

Jackson stated that the fixed employee costs request of \$400,000 would cover health insurance adjustments including the anticipated increase in premiums from \$8,095 to \$8,300 for the state transitioning from Blue Cross Blue Shield to Aetna. The expected increase in retirement costs from 24.04% to 26% and a 3-4% salary increase for teachers and all other employees. This would ensure competitive benefits and wages

to attract and retain top talent.

Jackson stated that the fixed operational costs are a \$300,000 increase which includes required coverage for property insurance, cyber security insurance, workers' compensation, and other mandated insurances. The insurance cost increases ensures operational stability and compliance, provides protection for district resources and personnel. This increase also addresses rising utility costs to maintain uninterrupted utility cost adjustments for district operations.

Jackson stated that the certified and classified supplement increase of \$550,000 includes licensed staff supplement increase which adds \$400 to each step of the licensed staff supplement scale. The allocation of \$400,000 is for licensed staff supplement increases. The classified staff supplement increase adds \$100 to the classified staff supplement which is \$150,000 for classified staff supplement increases. The strategic goal aims to improve compensation and remain competitive in attracting and retaining quality staff.

Jackson stated that the school nutrition meals have an increase of \$300,000, which supports the continuation of the free breakfast and lunch program for all students. This initiative began as a pilot program this school year. The majority of schools qualify for federal free meals programs. The additional funds cover the gap for students' ineligible for federal program participation, which ensures funding for the gap shifts from district reserves to a long-term sustainable source. The program provides equitable access to meals, supporting student well-being and academic success.

Jackson stated that the substitute contract has a increase of \$375,000 to transition to fixed-cost substitute service. In 2022, the district partnered with ESS, an outside vendor, to provide substitute services. The fill rate for school-based absences increased from 79% in 2022 to 95% or higher consistently. The contract reduces the need for teachers to cover for absent colleagues, allowing them to focus on their regular responsibilities. The access to qualified substitutes provides a larger pool of licensed and qualified teachers and ensures readiness for long-term assignments and hard-to-fill positions. This funding addresses the gap between program costs and the state allocation for substitute pay. The contract enhances classroom stability and supports teacher well-being by reducing additional burdens.

Jackson stated that the Unified Stipend Schedule would increase by \$240,000. Prior to the 2024-2025 school year, the district did not provide uniform extra-duty stipends for employees leading non-athletic clubs and activities. A unified stipend schedule was implemented to compensate employees for leading programs beyond their normal contractual responsibilities. Covers roles in academics, athletics, and the arts. Accounts for benefits adjustments tied to the stipend program. Ensures equity and sustainability in compensating staff for their extracurricular contributions. Recognizes and supports staff efforts in enriching students' extracurricular experiences.

Jackson shared the request for a \$250,000 increase in the Capital Outlay budget for the 2025-2026 school year is critical to addressing the growing demands of our district after seven years of stagnant funding. The addition of two new schools and a Central Office facility has significantly increased the preventive maintenance needs of aging buildings and infrastructure. This funding is essential to support necessary repairs, upgrades, and ongoing upkeep. Heightened safety expectations also require urgent investment in modern security measures, including updated cameras, vape detection systems, access controls, and key access protocols. These enhancements are vital to ensure a safe and productive environment for students and staff. This funding

*increase is a strategic investment in the sustainability, safety, and success of our schools. With your support, we can meet the evolving needs of our facilities, protect our students and staff, and sustain the high-quality learning environments our community deserves.*

*Jackson stated that the charter school transfer allocation represents the legal obligation to provide the required local per-pupil funding to charter schools serving Chatham County students. Chatham County Schools acts as the fiscal pass-through for these funds. Currently, approximately 12% of Chatham County students are enrolled in charter schools. This enrollment results in an increase of \$289,800 in funding for charter schools as part of the 2025-2026 budget request. If fully funded, 12% of our annual local allocation, equivalent to \$5,909,564 will be designated for transfer to charter schools serving Chatham County residents. This funding ensures compliance with state requirements while supporting the educational opportunities of all Chatham County students.*

*Jackson shared the request summary with a total appropriation request of \$2,954,800. If fully funded this increase will bring our local current expense county funding (including the Charter School Transfer) to \$51,496,170.*

*The Board of Commissioners discussed the budget request with Dr. Jackson.*

*The Board of Commissioners recessed at 10:03am for a short break.*

**This Agenda Item was received and filed.**

#### 25-0010

Receive a presentation from the Chatham County Sheriff's Office

**Attachments:**     [Sheriffs Office FY2026 Budget Heads Up](#)

*The Board of Commissioners reconvened at 10:10am on Wednesday, January 8, 2025.*

*Sheriff Mike Roberson shared a staffing and budgeting proposal for the Chatham County Sheriff's Office with the Board of Commissioners.*

*Roberson shared the responsibilities of the Sheriff's Office which included "Keep the Peace" (Calls for Service), Courtroom Security, Civil Service, Detention, Animal Resources, Crime Prevention, Community Service Events, Public Survey for Student Resource Officers and Scams, Full-Time Justice Center Security, and CALEA / ACA / NCLEAN (Accreditation).*

*Roberson shared several maps of the 2024 calls for service, population by zone, and per capita and data on the deputies per capita, population change, and budget growth.*

*Sheriff Roberson introduced new Internal Operations Manager Susanna Williams who presented additional information on the budget request.*

*Williams reviewed the requested new positions for FY 2025, they asked to add ten deputies (plus 2.2 deputies for every 1,000 people) and six deputies were approved in FY 2025. Over the next several years the request will be to add ten deputies (plus 2.2 deputies for every increase in population of 1,000 people) each year. Williams stated that thirty-four deputies are needed to catch up. They need to add detention staff and civilian support staff with the current and future CIP expansions. Williams stated that the Sheriff's Office would like to move to a community-oriented substation map with the main office and substations in NE Chatham, Siler City, Moncure, Goldston, and*

*Jordan Lake as growth requires. The strategic locations would meet the demand and ensure public safety through adequate resources.*

*Williams stated that they have a goal of starting to pay for both a deputy and detention to be the same of \$62,675. Williams shared the salary proposal which included FY2025 - \$3,000 for Deputy; \$4,000 for Detention, with Deputy at \$54,664 and Detention at \$52,060. In FY2026 - \$3,000 for Deputy; \$4,000 for Detention, with Deputy at \$57,664 and Detention at \$56,060. In FY2027 - \$3,000 for Deputy; \$4,000 for Detention, with Deputy at \$60,664 and Detention at \$60,060, and in FY2028 – \$2,011 for Deputy; \$2,615 for Detention, with Deputy at \$62,675 and Detention at \$62,675. The salary proposal for a living wage would allow full-time employees to cover their needs of food, health care, education, transportation, and clothing. The living wage in Chatham County is \$22.44 per hour or \$46,675 annually. Williams stated that twelve employees with the Sheriff's Office do not earn a living wage, and they are requesting that salary be brought up. Williams stated that the Sheriff's Office is requesting experience pay for all current employees, and an annual one percent pay increase for all employees to reduce salary compression.*

*The Board of Commissioners discussed the requests with Sheriff Roberson and thanked him and Williams for presenting.*

**This Agenda Item was received and filed.**

## 25-0020

### Discuss Early Childhood Education

**Attachments:**     [Early Childhood Education](#)

*Assistant County Manager Darrel Butts led a Board discuss on early childhood education. Butts reviewed the Early Childhood Action Plan which included:*

- Project (Chatham Kids Matter) led by Chatham County Partnership for Children.*
- Funded in part by Chatham County using ARPA dollars.*
- Early Childhood Action Plan was the final product of year+ long study.*

*Other items include:*

- Early Childhood Community Needs Assessment*
- Community Conversations*
- Fiscal Analysis*
- Including Focus Areas, Early Childcare System Issues to Solve, Strategies to attempt to solve those issues, and Fiscal Analysis of those issues.*

*Butts noted that the Board of Commissioners agreed to provide funding for the study because the Board recognized long-term, systemic issues related to Early Childhood Education and recognized the need to document those challenges and develop recommendations on how to meet those currently unmet needs.*

*Butts recapped the Community Needs Assessment Focus Areas which included child health, safety, and wellbeing, childcare infrastructure, high quality early learning, and childcare access.*

*Butts stated that the fiscal analysis included estimated costs for recommended action items to address the various issues identified in the Early Childhood Action Plan. The Fiscal Analysis also included recommendations that were not detailed/estimated in the Fiscal Analysis, but that was included for completeness (example: Work with Central Carolina Community College and Chatham County Schools to develop a pipeline of early childcare workers and leverage Chatham Promise). Includes detailed estimates/Cost breakdowns for recommendations (used FY2024 dollars). Advisory*

Committee ranked the various recommendations by priority (High/Medium/Low). Butts shared the fiscal analysis recommendations.

Butts shared information on the Early Childhood Education Fund including:

- Partnership for Children made a request at the May 6, 2024, Board of Commissioners meeting, requesting funding for the #1 priority item of the Fiscal Analysis.
- The Board of Commissioners did not take any action on the request during the FY2025 Budget discussion.
- Since the adoption of the FY2025 Budget, Early Childhood funding has come up several times.
- The following slides detail the request made by the Partnership for Children at that meeting – notes from County staff are included as yellow text boxes (for additional discussion).
- The numbers included represent the request made for FY2025 and have not been adjusted in any way.

Butts stated that the Chatham County Partnership for Children respectfully requests \$600,000 for FY25 to establish an Early Childhood Education Fund, which in FY25 includes funds for a Childcare Provider Compensation Pilot Program. The request appears to reflect the annual direct cost of the number one priority item on the Fiscal Analysis but does not appear to have any costs related to annual administration costs.

Butts reviewed the primary uses of the Early Childhood Education Fund which includes:

- Provider Compensation
- Childcare Subsidies
- Childcare Center Capacity Expansion (Public Funds used for non-capital costs or as a revolving loan)

Additional Activities include:

- Fundraise private donations that could be used for private childcare capital costs
- Explore revolving loan concept for public funds to be used for private expansion
- Provide technical and grants writing assistance to centers for expansion
- Explore redirecting economic development incentives to the fund

Butts highlighted the primary uses for year one would be provider compensation, childcare center capacity expansion, and fundraising private donations that could be used for private childcare capital costs, but he was unsure if this would be the same for FY2026. Butts stated that staff have concerns about our authority to fund salaries for a for-profit entity. The only potentiality is to rely on 160D-1311, which authorizes assistance programs for low/moderate income residents. To conduct a pilot program to compensate early childcare employees using the North Carolina Early Childhood Compensation Collaborative Model Salary Scale would pay early childhood educators with equal education equivalent to K-12 scale, pay other early childcare workers a “living wage” according to MIT Living Wage Calculator (i.e. \$18.40/hour in Chatham), educational attainment also factored into salary scale, or the model tested by UNC-Charlotte. To the extent that the childcare centers serve these populations, the county could provide funding to cover some or all of the costs of providing childcare to the children of low/moderate income residents. Centers would have to commit to continuing to serve low/moderate income families.

Butts shared the components which include twenty classrooms at most underpaid centers (including at least one Pre-K Classroom), which would be facility-wide to avoid pay disparities within centers. Includes a one-time annual benefits allowance of \$1,000 per teacher. Targets private childcare centers and family-home centers rated three stars or higher; eligibility includes subsidy acceptance and/or TA contract with

*Chatham County Partnership for Children. Includes professional development requirements. This has some equity concerns over the compensation pilot only covering a limited number of classrooms/centers and may create additional stress to increase scope/funding of compensation pilot in very short order.*

*Butts shared two impact examples.*

*Example 1: Pre-K teacher has BK licensure and makes \$14/hour; the model recommends \$23.70/hour (equal to public school teacher salary scale); the compensation pilot would fund the annual difference of \$20,170 (plus FICA \$1,543)  
Result: Teacher makes \$49,290 instead of \$29,120*

*Example 2: Early childcare teacher have an associate's degree in early childhood education and makes \$13.50/hour; the model recommends \$19.74/hour (living wage plus 7% for educational attainment; the compensation pilot would fund the annual difference of \$12,986 (plus FICA \$1,073)  
Result: Teacher makes \$41,066 instead of \$28,080*

*Butts stated that the North Carolina Child Care Stabilization Grants end on June 30th. Stabilization Grants use fixed costs and family grants to help to cover the true costs of childcare and compensation support grants which can either be used for bonuses for all staff or to increase base pay and/or benefits that utilize a compensation scale. Anticipated Impact: Center closure or increase in turnover. Butts stated that the same concerns regarding legal authority for compensation support grants. Funding fixed costs could be allowable, would need more specific information. Family grants, assuming they qualify as low/moderate income, seem to be an allowable expense.*

*Butts shared the cost breakdown for the compensation pilot: Direct salary + FICA cost for twenty most underpaid centers - \$254,772, annual allowance for benefits - \$40,000, with a total direct cost of the compensation pilot being \$294,722.*

*Butts shared the cost breakdown for Chatham County Partnership for Children's FY25 Budget request:*

*Total Direct Cost of Compensation Pilot - \$294,722*

*Direct Costs of Early Childhood Education Fund (Year 1) - \$187,500*

*10% Administrative Cost - \$48,227*

*New Position to Oversee Program (includes \$2,000 one-time) - \$69,501*

*Total \$600,000*

*Butts stated that the request would be recurring expense, but the Parker's Ridge Childcare Center was not discussed during the Capital Improvement Plan process and would be a significant scope change to the project.*

*Butts shared a list of important considerations:*

*Sustainable: Can it be maintained over time; how do we limit large cost swings year over year and are we able to maintain sufficient workforce. Long term impacts include should the program last for more than a year. How do we limit negative externalities that do not adversely impact employee turnover, minimize additional early life stresses for children, and wage competition between centers within the county. And any program implemented as a pilot should be able to be implemented anywhere in the county.*

*The Board of Commissioners discussed the request and the potential program and asked staff to come back with more information.*

*The Board of Commissioners recessed at 12:15pm for lunch.*

**This Agenda Item was received and filed.**

25-0013

Receive a presentation from DEC Associates on the Debt Model and Financial Planning

*The Board of Commissioners reconvened at 1:00pm on Wednesday, January 8, 2025.*

*Andrew and Jeremy Carter with Defining Emerging Concepts Associates presented the 2025 Update on Long-Term Financial Planning and Debt Affordability.*

*The Carter's shared the following introduction and observations:*

*1. Chatham began long-term financial/capital planning in 2005 due to several drivers: Significant capital and operating needs at that time.*

*Future growth potential throughout the County.*

*2. Retention of the long-term financial plan and debt affordability vital to continue strong management:*

*Driving force of the County's enviable financial results.*

*Essential to maintaining the highest level of future financial performance.*

*3. Defining Emerging Concepts Associates advisor since 2005:*

*Current financial update one of many in the past – last update to the County Commission in 2022, frequent updates to staff.*

*Both to the County Commissioners and the public.*

*4. Hallmark of County moving to the highest level of financial planning:*

*Recognition that capital funding must be separated from operating funding.*

*Need to allocate resources to each.*

*5. This was accomplished by the creation of a Capital Investment Fund (CIF):*

*Chatham one of the first counties in NC to do this.*

*Provided ability to measure capital resources and put them to work most efficiently and affordability.*

*6. Chatham's use of the CIF sets it apart as a highest-level financial planner with on-going support from both management and the County Commission.*

*7. The County is highly rated and continues to manage on a prudent financial basis based upon rating agency assessment.*

*Current ratings of Aa1 from Moody's and AAA from Standard & Poor's.*

*Standard & Poor's upgrade on October 14, 2014 to AAA.*

*Moody's upgrade on October 17, 2014 to Aa1.*

*Ratings are currently confirmed as Stable by both agencies.*

*8. County is a classic "Management AAA" rating.*

*The Carter's stated that the following presentation will look to the future plan, the ability to maintain strong financial performance, and resulting high credit ratings.*

*The Carter's reviewed the importance of long term financial planning which provides a road map, sets policies and achievement objectives, measures achievement objectives – revenues and costs, provides for annual review and can change as needed, provides for greater financial alternatives, provides tool to match needs with County priorities, and sets the stage for improving financial standing and resulting Defining Emerging Concepts credit ratings. Planning allows for improved cost of services and ability to make changes when needed and demonstrates to citizens the importance of sound finances.*

*The Carter's shared what building a debt/capital capacity analysis is and what it includes. A blending of available resources/revenues, a definition of needed capital facilities and prioritization, a snapshot of potential debt structures, a statistical analysis to define capacity to meet the capital needs, assumptions on growth, cost,*

timing, etc., and an analysis of various funding scenarios and structures.

The Carter's shared how the affordability model works: have the projected revenues and projected expenses, then add the real-world events like a project moving slowly, actual debt cost, lower than projections, actual revenues higher than projections, refunding potentials, and is the is the FB goal being met, then you have a new capacity.

The Carter's shared a history of selected metrics.

1. In 2005 the County had the following metrics:

Outstanding Long-Term Debt \$21,002,000 - \$363 per capita

5 Year Debt Funded CIP of Approx. \$133,000,000

Per Capita Appraised Value of \$87,277

Ratings - Moody's: A1 S&P: AAu

2. Current Metrics – 2024 ACFR:

Outstanding Long-Term Debt \$203,221,384 – \$2,489 per capita

5 Year Debt Funded CIP of \$203,000,000

Per Capita Appraised Value of \$183,000 – needs update

Ratings - Moody's: Aa1 S&P: AAA

The Carter's shared the rating impacts with Moody's Current Criteria. Moody's revised its rating methodology in July of 2024. The County's rating of Aa1 was affirmed under this new methodology. Moody's New General Government Methodology:

Economy/Tax Base 30%

Finances (Liquidity) 30%

Management 10%

Fixed Debt/Pensions/Leverage 30%

The Carter's shared the rating impacts with S&P Current Criteria. S&P revised its criteria in September 2024. The County's rating of AAA was affirmed under these new criteria will have two factors are analyzed to determine a rating. Institutional framework is tied to the State in which the local government is located. The individual credit profile will be specific to the performance of the local government based on the following five key credit factors:

Economy 20%

Financial Performance 20%

Reserves and Liquidity 20%

Management 20%

Debt and Liabilities 20%

The Carter's shared the future rating impacts. Current credit rating considerations include soundness of the financial plan that needs are present and will grow and the County has shown will properly/prudently time its debt issuance to date and is equally important to do so in the future. Does the Capital Plan meet projected County needs, especially for growth counties like Chatham with new business expansion. Current capital need is potentially significant with likely need to dedicate more resources to leverage calculation will need specific attention and planning, timing of planned projects is critical, and strong growth in the County will aid in producing new resources but also additional capital needs.

The Carter's shared a summary of the current financial model and future projects to be issued at the current cost estimates:

In 2027: Government Center \$60,000,000, Gymnasiums (Bennett, Silk Hope, Bonlee) \$24,000,000, Sheriff Administration \$20,000,000, and Central Carolina Community



College Skilled Trade Building \$15,000,000 for a total of \$119,000,000.

In 2028: New Elementary - Northern Village \$54,000,000 and in 2030 Joint Public Safety Center \$30,000,000 with a grand total of \$203,000,000.

The Carter's stated that the summary of current financial model. The model version 70 requires additional revenue for projects starting in 2027 with approximately 2.65¢ on current tax rate needed to fund \$203,000,000 in Capital Improvement Plan debt and approximately \$4,300,000 annually with actual number of pennies needed will be determined after revaluation. The issuance of additional debt above current plan level and/or earlier issuance must be reviewed and planned prudently, measured by increased debt levels and revenue needs, and measured by potential for rating impacts and Local Government Commission scrutiny.

The Board of Commissioners asked questions of the Carters and thanked them for their presentation.

The Board of Commissioners recessed at 2:48pm for a short break.

**This Agenda Item was received and filed.**

## 25-0012

Receive a presentation on the Annual Pay and Benefits Update and the Two-Thirds Pay Study Update

**Attachments:**     [Phase II Market Comparison Review Presentation](#)  
                                 [2025 Pay & Benefits Presentation](#)

The Board of Commissioners reconvened at 2:59pm on Wednesday, January 8, 2025.

Human Resources Director Courtney Jones presented the annual pay and benefit update, and the two-thirds pay study.

Jones reviewed the results of the employee satisfaction survey. Key feedback included longevity pay is still at the top of the employee wish list, merit-based increases remain a strong second, option for overtime pay vs. comp time, raise in on-call pay, incentive pay for bilingual staff, holiday bonuses and more money.

Jones stated for the FY25 budget; twenty-four positions were approved. Reclassifications examined annually during budget process included forty-seven submitted positions for FY26. The two thirds salary market review was completed for FY25 which reviewed Public Safety (Sheriff's Office, Emergency Management, Emergency Communications, Court-Related Programs) + Maintenance Technicians and Elections.

Jones shared the overall turnover data and exit interview data. Jones updated the Board of Commissioners on the performance indicators with the health plan and the funding strategies. Jones reviewed the eye on equity and the ongoing initiatives.

Jones introduced David Hill with Piedmont Triad Regional Council, who presented the Phase II Market Comparison Review study results which included the following departments: Governing Board, Register of Deeds, County Manager's Office, Facilities, HR and Risk Management, Conference Center, Finance, Building Inspections, Tax, Fire Inspections, Legal, Central Permitting, IT, Watershed Protection, GIS, Tourism, Planning, Soil and Water Conservation District, Public Health, Social Services, Aging Services, Utilities, Solid Waste & Recycling, Library, and Parks & Recreation.

Hill stated that the study included 166 classifications representing 461 employees. The focus of the study was market competitive positioning, employee recruitment, employee retention, and salary compression. Hill shared the analysis of the study, the market comparisons, the results for each position, and the recommendations. The recommendations included adopting the market comparison pay grade assignments for each position and adopting the employee salary implementation recommendation designed to address salary compression, employee recruitment and retention.

Hill stated several implementation options were reviewed, each with the common thread of recognizing employee service time. The advantages of this create methodology of salary establishments based on length of employment or time in current position, addresses salary compression, aides in employee recruitment, and aides in employee retention.

The Board of Commissioners thanked both Jones and Hill for the presentation.

**This Agenda Item was received and filed.**

#### 25-0011

#### Discussion of Non-Profit Funding for FY 2026 and Beyond

**Attachments:**     [Nonprofit-Bold Goal Funding Presentation](#)

Budget and Management Analyst Erik Lindley presented an update on the Nonprofit Funding FY26 and Beyond.

Lindley shared the considerations including current county process overview, the United Way Bold Goal overview, parallel or complementary processes, and moving forward.

Lindley shared the nonprofit application process with the current county process. Lindley reviewed the United Way Bold Goal foundations which include community engagement and visioning and the United Way's Role in a solution.

Lindley shared the new goal program with United Way and next steps. The United Way has dedicated \$100,000 to invest in the pilot program and will continue to lead the Bold Goal Project with community partners. Impact Funding is the future funding model of United Way. As this project scales, additional partners will be added, capacity will be built, and funding will be allocated.

Lindley shared the details of the parallel process and the idea of an integrated process. Funding to county competitive process decreases as funding to Bold Goal increases and the Bold Goal leverage/impact increases with more funding and there are increased effect and efficiency for funding dollars. Moving forward, the county could integrate the dual processes and focus and expertise of a professional organization like United Way has real benefits. This would be a focused versus broad approach, with narrowly focusing on poverty with a goal to eliminate it versus casting funds in a broad pattern to mitigate poverty. The initial geographic focus would be narrow to widen as the program becomes polished and sustainable. This would have a single process which would be easier for applying agencies.

The Board of Commissioners discussed non-profit funding and the possibility of joining United Way in the process. Lindley stated that staff is not recommending a change for the FY26 process, but staff is recommending starting the work on the potential program. The Board of Commissioners agreed, but would like a better understanding a

*potential pilot program and agree that United Way has a better understanding and working relationship of the non-profits.*

*The consensus of the Board of Commissioners was to start exploring a join program with United Way.*

*The Board of Commissioners recessed day two of the budget retreat at 4:06pm.*

**This Agenda Item was received and filed.**

#### 25-0014

Discuss Article 46 Sales Tax

**Attachments:**     [Article 46 Sales Tax Discussion](#)

*The Board of Commissioners reconvened at 9:00am on Thursday, January 9, 2025 for day three of the budget retreat.*

*Assistant County Manager Darrel Butts updated the Board of Commissioner on Article 46 Sales Tax. Butts reviewed what Article 46 Sales is along with the advantages, rules, and requirements.*

*Butts stated that the Board of Commissioners approved a Resolution of Intended Uses on November 18, 2019, and the intended uses of Article 46 funds were included in informational materials developed by the County. The intended uses are not legally binding; however, the Board of Commissioners has maintained all funding for those uses to date. The intended uses, as stated by the Board of Commissioners in 2019 are Affordable Housing, Agricultural Preservation & Enhancement, Education, and Parks & Recreation.*

*Butts shared the lifetime Article 46 collections amounts. Butts stated since the initial passage of the Article 46 Sales Tax, the County has used the same basic model with one adjustment in FY2024 for Education – first \$1 million (increased to first \$2 million in FY2024), Affordable Housing – 1/3 of all remaining revenue, Agricultural Preservation & Enhancement – 1/3 of all remaining revenue, and Parks & Recreation – 1/3 of all remaining revenue. The benefits of current model are consistent, annual allocations to all intended use areas, gives departments the ability to plan for both the present as well as future needs/growth plans, evenly distributes “extra” collections (revenue greater than budget) to 3 functional areas that have identified long-term high-cost needs for Affordable Housing, Agricultural Preservation & Enhancement and Parks & Recreation. The budgeted revenues for those 3 intended uses has been conservative (and sales tax collection have been extremely robust) – ensuring (attempting to ensure) that those functional areas do not have to worry about revenue failing to meet initial targets and the equity/parity among the 3 County led intended uses.*

*Butts stated that staff recommend that we continue to use the current funding model for Article 46 Sales Tax collections. Staff further recommends that we review this model every 5 years to ensure that it continues to meet the funding goals of the Board of Commissioners and in the event of significant changes in either revenue collection or funding need, the funding model can be discussed in advance of the planned update/review date.*

*The Board of Commissioners discussed Article 46 Sales Tax and asked questions of staff and agreed with staff recommendations.*

**This Agenda Item was received and filed.**

[25-0015](#)

Receive a presentation on Heads Up Items and a Collaboration Impact Team Update

**Attachments:** [FY26 Heads Up Presentation](#)

*Budget and Management Analyst Will Curvin presented the FY26 Heads Up update.*

*Curvin described the Heads-Up process, identified and define common issues identified by CITs, evaluate the impacts of identified issues, and presented the key takeaways from Heads-Up that may affect the FY25 budget.*

*Curvin stated that the FY25 Heads-Up themes are access to technology, application support & infrastructure, equity, hurdle to Commissioner goals, internal process management, legislative impacts, safety of the public and/or staff, and service availability and capacity.*

*Curvin stated that the "Heads-Up" process is an opportunity for county departments to identify issues that may impact them in the upcoming budget year. It is a way to gather information that will provide a more holistic context on the budget requests submitted later in January and February. The budget team asks for this information in November since there should be 4 months (1/3 of the year) of performance and financial measures for departments to analyze and potential new measures to track.*

*Curvin stated that last year we revised the heads-up form to get more details on the issues affecting departments. Questions on the form include identifying the root cause of the problem, its financial, safety, or compliance impacts, and how it affects operations and residents/customers. Heads-up issues are then analyzed by theme to see what issues are affecting CITs and county departments.*

*Curvin shared a list of the budget functional area CITs and reviewed each of the common themes.*

*Curvin stated that the key takeaways for FY26 Budget is Chatham is a growing county with a population that expects more and higher quality services and to provide the highest quality of service possible, Chatham County departments must continue to collaborate regularly and work on continuous process improvement.*

*Curvin stated that the next steps, which include departments will begin their budget requests, both continuation and expansion, then staff will meet with departments and help identify solutions and alternatives, then the Budget team and CIT team will evaluate expansion requests, then the recommended budget will be presented to the Board of Commissioners in May 2025.*

*The Board of Commissioners thanked Curvin for the update.*

*The Board of Commissioners recessed at 10:46am for a short break.*

**This Agenda Item was received and filed.**

[25-0016](#)

Receive a presentation on the Current Year Accomplishments

**Attachments:** [FY2025 Mid-Year Accomplishments FINAL](#)

The Board of Commissioners reconvened at 10:56am on Thursday, January 9, 2025.

County Manager Bryan Thompson presented the FY2025 Mid-Year accomplishments. Thompson shared a high-level review of accomplishments and stated that the full list accomplishments of each department are in the presentation documents.

**This Agenda Item was received and filed.**

25-0017

Receive a presentation on Trends Affecting Next Year's Budget

**Attachments:**     [Trends Affecting FY26 Presentation](#)

Budget and Management Analysts Will Curvin and Erik Lindley presented the trend presentations which included graphs and charts for the following

- \* Historical Population Growth FY 1993 to FY 2025
- \* Projected Population Growth: FY 2025 to FY 2045
- \* Projected Median Age
- \* Population Actual and Projections by Age Group
- \* Race and Ethnicity
- \* Median Household Income by Township
- \* 2023 Per Capita Income
- \* Chatham County Income Inequality - 2024
- \* Chatham County Unemployment Rate
- \* Chatham County Tax Base, FY 2014-2024
- \* Assessed Value Per Capita
- \* 2024 Tax Base Comparison: Chatham v. Benchmarks & State Average (Present Use=Fully Assessed Value)
- \* Chatham County's Historic Sales Assessment Ratio
- \* Chatham FY 2024 Present Use Value Breakdown: \$1,474,257,561
- \* Consumer Price Index
- \* Actual Deeds Stamps Collections
- \* Quarterly Deed Stamps Collections
- \* Commercial Permits
- \* Number of Residential Building Permits Issued: Including Cary, Siler City, and Pittsboro
- \* Number of County Employees Per 1,000 Residents
- \* Property Tax as Percent of General Fund Revenue
- \* Charges, Fees, and Permits as % of General Fund Revenue
- \* Sales Tax as Percent of General Revenue
- \* Article 39 (locally collected) Sales Tax FY 2024
- \* Revenues Per Capita (Constant Dollars)
- \* Sales Tax Revenues Per Capita (Constant Dollars)
- \* FY 2024 Per Capita Revenue Comparison for Counties 50,000-99,999 Population
- \* FY 2024 Per Capita Expenditure Comparison for Counties 50,000-99,999 Population
- \* Expenditures Per Capita (Constant Dollars)
- \* Expenditures Per Capita for Culture & Recreation (Constant Dollars)
- \* Expenditures Per Capita for Economic and Physical Development (Constant Dollars)
- \* Expenditures Per Capita for Education (Constant Dollars)
- \* Expenditures Per Capita for General Government (Constant Dollars)
- \* Expenditures Per Capita for Human Services (Constant Dollars)
- \* Expenditures Per Capita for Public Safety (Constant Dollars)
- \* Expenditures Per Capita for Debt (Constant Dollars)
- \* Actual Debt Service as % of General Fund Expenditures
- \* FY 2024 Expenditure Comparison by Object for Counties 50,000-99,999 Population
- \* FY 2024 Average Teacher Supplements: Chatham, Surrounding Counties & State

Average

\* Chatham County Operating Surplus/(Deficit) General Fund

\* Operating Surplus/(Deficit) Waste Management Fund

\* Operating Surplus/(Deficit) Water Fund

The Board of Commissioners discussed the data and thanked both Curvin and Lindley for the review.

The Board of Commissioners recessed at 12:20pm for a lunch break.

**This Agenda Item was received and filed.**

#### 25-0018

Receive a presentation on the Expected Conditions Affecting Next Year's Budget

The Board of Commissioners reconvened at 1:05pm on Thursday, January 9, 2025.

Assistant County Manager Darrell Butts reviewed the expected conditions affecting next year's budget.

Butts shared details about FY25 revenue so far, including Register of Deeds excise revenue slightly increased from last year (~\$23,300) at forty percent of budget collected, down ~8% from prior year and the decrease in collection is due to increase in budgeted amount, but potential to still meet budget, depending on real estate market in the spring.

Butts stated that inspections revenue is down approximately seventy-six percent over last year and currently at forty-five percent of budget, but the decrease driven by FY24's Wolfsped inspection fees, watershed revenues up twenty-two percent from the same time last year, and Environmental Health revenues are up approximately four percent from the same time last year

Butts stated that property tax, ahead of FY24 in total collections (approximately \$10 million) is slightly ahead in collection percentage (+2.8%), on pace to meet budget. Motor vehicle tax is behind FY24 in total collections and the lower collection percentage than last year (-8%), but it is still on pace to meet budget. Sales Tax is at 33.3% of the budget collected, which is slightly behind the same time last year (36.4%), through four months, behind last year by approximately \$67,000 and three of the four months in FY25 have lower sales tax revenues than the same month in FY24.

Butts stated that revenue from development services faces a sharp year-over-year decline, largely due to a decrease in inspection fees, but is still on pace to exceed budgeted revenue. Sales tax collections have slowed considerably, and Ad Valorem taxes are on pace to meet budgeted revenue. Expenditures are slightly ahead (0.5%) of last year due primarily to capital outlay purchases. And overall projecting a "break even" year with revenue collection dependent upon continued development services activity and sales tax receipts. Expenditures are largely dependent upon the number and length of vacancies and ability to purchase the operating/capital equipment which is less difficult than last few years.

Butts shared what others are saying about the economic forecasts along with other factors.

Butts stated that retreat revenue projections are difficult, especially difficult this year due to revaluation. The budget revenue projection methodology is conservative, and



*the focus is on accurate year-end estimates and project conservatively. Property Tax with the revaluation has the potential to drastically change what the year-over-year growth in the county looks like. Sales Tax has a conservative outlook and is flat with no growth but may be optimistic outlook with three percent growth.*

*Butts shared a list of know expenses, which included:*

*Chatham County Schools - +\$2,954,800*

*Additional \$250,000 for restoration of master's supplement.*

*Additional \$550,000 for certified & classified supplement adjustment.*

*Additional \$400,000 for fixed employee benefit increases.*

*Additional \$1,215,000 for operational cost increases for School Nutrition – Free Meals Program (+\$300,000), Substitute Contract (+\$375,000), Fixed Operational Increases (+\$300,000), and Unified Activities Stipend Schedule (+\$240,000).*

*Additional \$289,800 for charter school transfer.*

*Additional \$250,000 for capital outlay appropriation.*

*Increase of approximately \$450,000 for new FY25 positions budgeted mid-year.*

*+1.2% increase in retirement contribution (\$250,000).*

*+3-4% increase in health/dental insurance (\$350,000).*

*+10% increase in property/liability insurance (\$100,000).*

*Increased operating costs for new/updated Emergency Medical Services contract (\$1 million+).*

*Butts shared a list of potential FY26 expenses, which included:*

*~ \$500,000 full-year implementation of 2/3 pay study*

*~ \$1.5 – 2 million for adjustments in employee pay*

*+/- \$500,000 inflationary increase in operating*

*Total expected expansion requests +/- \$4 million*

*Butts shared the FY 2026 budget preliminary bottom line numbers, which included:*

*Total (potential) expense increases: 12,105,000*

*Total (potential) revenue increases: 4,600,000*

*Total (potential) surplus/(deficit): (7,505,000)*

*FY25 property tax information: one penny generates: 1,521,300 and the FY26 values are not yet available due to revaluation.*

*The Board of Commissioners discussed the conditions and the potential increases.*

**This Agenda Item was received and filed.**

#### 25-0019

Discuss the FY2026 Budget and give Guidance to Staff

*County Manager Bryan Thompson stated that staff will deliver the FY 2026 recommended Budget within the guidelines set by the Board of Commissioners and staff is requesting any other directions or guidelines that the Board of Commissioners would like to provide.*

*The Board of Commissioners discussed the revaluation and the tax rate including revenue neutral, the schools request, bond rating and borrowing for the capital projects, fund balance reserve percentage, and the budget process.*

*The Board of Commissioners stated that they feel confident in the budget team and the CIT process.*

**This Agenda Item was received and filed.**

## **ADJOURNMENT**

A motion was made by Vice Chair Katie Kenlan, seconded by Commissioner Franklin Gomez Flores, that the meeting be adjourned at 2:07pm. The motion carried by the following vote:

**Aye:** 5 - Chair Howard, Vice Chair Kenlan, Commissioner Delaney, Commissioner Gomez Flores, and Commissioner Robertson