



# Chatham County, NC

## Meeting Minutes

### Board of Commissioners

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Tuesday, January 10, 2023

9:00 AM

Agriculture and Conference Center

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#### Board of Commissioners Annual Retreat January 10 - 12, 2023

**This agenda is for all three days of the Chatham County Board of Commissioners Annual Retreat. Items on the agenda may move around during the three days to accommodate speakers and the time available.**

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

#### **APPROVAL OF AGENDA and CONSENT AGENDA**

**A motion was made by Vice Chair Dasher, seconded by Commissioner Delaney, that the agenda and consent agenda be approved. The motion carried by the following vote:**

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

[22-4608](#)

Vote on a request to approve the naming of one (1) private road in Chatham County

**Attachments:** [VinFast Drive Map](#)  
[VinFast Drive Area Map](#)  
[VinFast Dr Petition](#)

**A motion was made by Vice Chair Dasher, seconded by Commissioner Delaney, that this Agenda Item be approved. The motion carried by the following vote:**

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

#### **End of Consent Agenda**

#### **BOARD PRIORITIES**

[22-4613](#)

Ground Rules

**Attachments:** [Day One Chatham Retreat Participant Agenda & Handouts \(SOG\)](#)  
[January 10 Chatham County Retreat Facilitators Presentation](#)

*Facilitators Lydian Altman and Lakeisha Farmer reviewed guidelines for productive meetings. Ms. Farmer reviewed the objectives.*

*Commissioner Delaney has been a Chatham resident since 2017. He has been on the Board since December 2022. In 30 years, he would like diversity protected and encouraged because, without specific attention to it, it is overlooked.*

*Commissioner Gomez Flores has been a Chatham resident since 1999. He has been on the Board since 2020. In 30 years, he would like equitable investments across the county. There is a large divide between the haves and have-nots.*

*Chair Howard has been a Chatham resident for 16 years. This is her ninth year on the Board. In 30 years, she hopes there is a protected balance of rurality and development.*

*Vice Chair Dasher has been a Chatham Resident since 2005. He has been on the Board since 2016. In 30 years he hopes Chatham will be welcoming, open, and accessible to all (all different incomes) and a place where anyone can flourish and afford to live. It is important because the alternative is exclusion.*

*Commissioner Kenlan is a lifelong Chatham resident. She has been on the Board since December 2022. In 30 years, she hopes there is a protection of rural vs. development. Chatham should be creative and protect our natural resources and the character of our architecture.*

*Staff went around the room and gave introductions.*

[22-4614](#)

## Chatham County Schools

**Attachments:**     [Budget Presentation for County Commissioner Meeting Jan 10, 2023](#)

*Chatham County Schools (CCS) Superintendent Dr. Anthony Jackson gave a presentation to the Board. (Presentation attached)*

*Dr. Jackson said many of the slides were just for the commissioners' information. He thanked his team for joining him and answering any questions: Finance Officer Tony Messer, Assistant Superintendent Dr. Moran, Board of Education Chair Gary Leonard, and Vice Chair Del Turner.*

*One Academy is going to replace SAGE Academy, and it is to welcome kids who have fallen out of love with school. It opened the 2022-2023 school year with 91% of needed staff. They had a clean audit for the past year.*

*Dr. Jackson highlighted the great relationship between the Chatham County Board of Commissioners and the Chatham County Board of Education and the staff. The ongoing conversations that happen all throughout the year help keep the relationship strong.*

*Dr. Jackson said CCS turned the pandemic into a CANdemic.*

*CCS Finance Officer Tony Messer continued the presentation. \$1,000,000 will fund 13 teachers at the current rate. Mr. Messer explained the hybrid supplement model developed by the Schools and County staff. He thanked the finance staff for the work they did that made the external auditors claim Chatham County Schools are the most financially sound school district in the state of North Carolina. The county funds 75 classroom teachers which helps reduce class size.*

*Commissioner Gomez Flores asked if \$13,526 is the total cost to educate one child. Mr. Messer said educating one child in one school is different at another school. That number is the average cost Chatham spent on a student last year.*

*Commissioner Delaney and Mr. Messer discussed the 116 LEA school districts in the state and how Chatham ranks 92 in the state. Mr. Messer said NC school finance is one of the most regulated throughout the southeastern United States. Chatham gets a certain amount of funding for children for EC (exceptional children) and the County helps fill in any gaps. Chair Howard said exceptionality also includes gifted. Dr. Jackson said language acquisition students are also included.*

*CCS is requesting \$1.6 million for the certified and classified staff supplements which includes the anticipation of a pay increase by the state for 2023-2024 (based on the significant raises issued by the state for 2022-2023).*

*CCS is requesting an additional \$1,700,00 for contributions to retirement system and state health plan (based on the state increase for 2022 2023).*

*CCS is requesting an additional \$220,000 in operational costs.*

*CCS is requesting an additional \$920,000 in post-COVID program sustainability costs.*

*CCS is requesting an additional \$515,200 for the charter school transfer.*

*Commissioner Kenlan asked where Chatham's state ranking for county funding came from. Mr. Messer said school districts for the whole state. Chatham ranks fifth in the state for the supplement for the districts in our region.*

*Chair Howard said it was concerning that so much of this shortfall had been met by ESR funds and that was not a long-term solution. Going forward they are going to have to figure out how to keep those salaries high. Mr. Messer said CCS's fund balance is \$8.3 million. They are looking to use 50% of it and using ESR funds is not going to be an option for 2023 2024. Chair Howard was happy to see this kind of increase for staff.*

*Chair Howard was glad there are multiple commissioners with children in the school system and glad they are consumers of the product and have an opportunity to support and advance the profession.*

*Vice Chair Dasher asked if the charter schools transfer was an increase. Mr. Messer said every year CCS must give a portion of County funding to the charter schools for Chatham residents in charter schools. Chair Howard said it also accounts for Chatham residents attending charter schools outside the county. It is a fairly predictable number.*

## [22-4615](#)

### Board of Commissioners Expectations Discussion

*Facilitators helped the Board and appointed staff work through expectations.*

*County Manager Dan LaMontagne reviewed the history of expectations with staff and the Board. The expectations distributed are just what has been decided in the past and this was an opportunity to dig in and determine together what expectations they agree upon for the coming year. He thanked the facilitators for joining the team today and helping the Board and staff work through expectations and goals together.*

*The Board and appointed staff reviewed the current expectations and added their edits.*

*Ms. Farmer reviewed the outcome of the exercise.*

*Commissioner Gomez Flores said commissioners should give updates on advisory committee meetings as liaisons to advisory committees. Vice Chair Dasher did not necessarily have reports because no updates were shared with him.*

*Commissioner Gomez Flores asked to include an expectation of commissioners to refrain from side remarks.*

*Vice Chair Dasher asked a question about reaching out to constituents of all demographics. Chair Howard thought it was around the notion they do not represent just one district, but the entire county and they shouldn't seek out just one opinion to make informed decisions.*

*Commissioner Kenlan clarified that informing each other in a timely manner meant not a few minutes before the meeting.*

*Commissioner Kenlan appreciated learning the Chair should be the one to represent the Board at public events and if a commissioner attends something individually, they are not speaking on behalf of the Board. Commissioner Delaney said a possible edit was that any invitation to speak on behalf of the Board should be forwarded to the Chair first. Mr. LaMontagne said that was the Board's expectation of the Chair, to attend events and speak on its behalf.*

*The Board discussed the role of advisory committee liaisons. Chair Howard said there shouldn't be an expectation to attend all the meetings. The Board requested staff let advisory committee staff liaisons know that commissioner liaisons would like to be included on all committee communication and also provide them with the list of expectations.*

*Commissioner Gomez Flores asked about the manager facilitating his own review and what additional steps they can take to evaluate the manager and his performance. Chair Howard said the Board goes into closed session and there is a rubric provided to aid the discussion. She thinks facilitate may mean the manager "makes sure it happens".*

*Commissioner Gomez Flores requested presentations from all departments. The facilitators asked what he would seek from the presentations. Commissioner Gomez Flores said their challenges and accomplishments. Chair Howard said the Board supervises the manager and the manager supervises staff. When the Board has the departments report to them, it undermines the county manager. Vice Chair Dasher said the Board doesn't know the day-to-day challenges, but it learns about things through the manager.*

*Commissioner Delaney asked if there was a 360 analysis internally for these departments. Chair Howard said the departments were the ones responsible for providing programming and determining how the department operates but if there was a budgetary issue then the Board could help and discuss solutions. If the commissioners see things they are dissatisfied with they go to the County Manager and ask him about it. Commissioner Delaney said a starting point is strategic goals. Mr. LaMontagne said at his review he usually prepares (based on the goals of the Board) a list of all the things the County departments have done to address those*

goals throughout the year. He was glad he got more feedback this past year because it informs what the County does next. He does think there is value in the Board understanding the functionality of departments and how they work. He explained how the budget staff and collaborative teams address budget requests. Vice Chair Dasher said he talks to Mr. LaMontagne regularly about inspections, but he knows it is not his place to tell inspections what they need to do. Mr. LaMontagne does a great job. Commissioner Kenlan said commissioners should feel empowered to talk with the County Manager. The Manager should expect commissioners to contact him and talk with him about their concerns and things they are hearing.

Chair Howard clarified that emailing a department head is for informational questions, not to direct their work. Commissioner Delaney asked what Mr. LaMontagne would like from commissioners when they are getting questions from residents. Commissioner Delaney likes the idea of working through the manager as a general rule. Mr. LaMontagne said it is not a hard and fast rule and is subjective.

County Attorney Bob Hagemann reviewed his expectations of the Board and clarified language around ethical obligations.

Commissioner Gomez Flores appreciated the exercise and found it beneficial. Chair Howard liked that it was a robust conversation and there is a better level of buy-in when everyone is heard. Commissioner Delaney said it was nice to talk about topics that are not necessarily policy related. Commissioner Kenlan said it was helpful to get the expectations ahead of time to prepare. Vice Chair Dasher also found it beneficial, and it was great to hear all the voices.

The facilitators asked how the expectations been useful and could be useful going forward. Chair Howard said they are good reminders and help prevent falling into old habits. Commissioner Delaney said they were an objective way to talk through things and personalize conversations.

The facilitators asked how they would hold each other accountable using the expectations. Commissioner Kenlan said they would be helpful to refer back to. The Clerks said they could laminate or provide the expectations to the Board at each meeting. Chair Howard said this Board is very diverse and there is a wealth of input to lift out of these conversations.

## [22-4616](#)

### Commissioner Discussion of Goals and Priorities

Mr. LaMontagne reviewed the history of the Board's goals. The Board adopted the Plan Chatham goals several years ago and each year the commissioners have developed a handful of additional goals.

Commissioner Delaney asked about the process for determining the Plan Chatham goals. Mr. LaMontagne reviewed the process and Clerk to the Board Lindsay Ray provided the commissioners with a link to the County website where the history of Plan Chatham was detailed. Chair Howard added that Plan Chatham was the catalyst for the Collaborative Impact Teams (CITs).

Ms. Altman reminded everyone that the work today will inform the work that will be done on day three. Commissioners should talk about goals, add to them, clarify them, and express any concerns about them and be prepared to share on day three.

## [22-4617](#)

### HR Pay/Benefits Presentation

**Attachments:**     [2023 Pay & Benefits Presentation](#)

Assistant Human Resources Director Courtney Jones gave a presentation to the Board. (Presentation attached)

Chair Howard asked if there would be a complete pay study between the two planned studies in FY24 and FY27. Ms. Jones could not say for certain as it would depend on what shakes out of the first one. She really needs to evaluate those two groups separately for recruitment purposes.

Commissioner Delaney asked if every year public safety recruits, hires, and loses 50% of their staff. Ms. Jones said yes. Public Safety includes the Sheriff's Office, Detention, Court Related Programs, Emergency Management, and Telecommunications. Commissioner Delaney asked what the number was of people each year. Ms. Jones said roughly 1/6 of County employees every year. Departments are good at letting her know about good candidates that may not have been hired but may be good for a future position.

Commissioner Gomez Flores asked if social media hasn't been effective. Ms. Jones said it is just not getting the volume of applicants she was hoping for. Employees also come to her and say they may be interested in different opportunities within Chatham, and she has been able to find them other positions within the County.

Commissioner Gomez Flores asked who selected the counties Chatham was compared to in the pay studies. Ms. Jones said human resources staff. Commissioner Gomez Flores asked if the study was already one year behind. Mr. Butts said the most recent one was a six-month lag time which is very fast. Mr. LaMontagne said they want to do it more frequently, so they aren't so far behind. Assistant County Manager Bryan Thompson said that is why they are doing 1/3 of staff a time so the County doesn't take that huge hit by doing a full pay study.

Chair Howard said she liked that when someone applies but doesn't get hired there are considered for other opportunities HR thinks they would be a good fit for. Mr. LaMontagne said they also ask if applicants are okay sharing their applications with the towns. Mr. Thompson said that is a reciprocal relationship.

## [22-4618](#)

### Permit Fee Waiver Program Options

**Attachments:**     [Fee Waiver](#)

Budget Analyst Erik Lindley gave a presentation to the Board. (Presentation attached)

Commissioner Delaney asked if it was possible to plot the locations of the permits on a map and to get a rough dataset of the average incomes in those locations. Mr. Lindley said yes, you could potentially get a better idea of the numbers.

Commissioner Kenlan asked if these included septic permits. Mr. Lindley said no, they only looked at permits for house renovation/rehabilitation and not at septic or new construction permits.

Mr. Thompson said the original question was around whether there was a method by which the County could work with homeowners to help them pay for the cost of repairs or renovations to their homes. Staff quickly found the County cannot issue waivers and but can make reimbursements. Those reimbursements must be pursuant for a public purpose. The identified public purpose that would be the vehicle to allow that would be for levels of AMI and assisting lower income families in owner-occupied homes. It could also be with a developer and then the County would

*have to enter into a long-term agreement agreeing to some form of permanent affordable housing. The next question is what other things are already in play that more directly accomplish that which may arguably be accomplished through this other method like working with Rebuilding Together of the Triangle.*

*Chair Howard said she did not believe naturally affordable housing was going to see the Board out of this issue.*

## 22-4619

### Tax Relief Program Discussion

Attachments:      [Tax Relief Programs](#)

*Budget Director Darrell Butts gave a presentation to the Board. (Presentation attached)*

*Vice Chair Dasher asked if none of the three counties seemed to care about the value of the home. Mr. Butts said none stated it.*

*Commissioner Delaney asked how the three counties obtained the AMI. Mr. Butts said through the Department of Social Services because the vast majority of folks that qualify for tax relief also qualify for other services and are often clients of DSS.*

*Mr. Butts said there is no recommendation at this time from staff. Staff is only providing the information as requested by the Board.*

*Commissioner Delaney asked how different Chatham is demographically, for example, the median age, compared to those counties. Mr. Butts said Chatham has the highest per capita income in the state and those three counties are also high-wealth counties. Chatham has considerably more residents over age 65 than Orange and Durham counties.*

*Vice Chair Dasher asked what the intent was of a program like this. Are people losing their homes because they can't pay taxes? Mr. LaMontagne said the original question was as property taxes increase, how does that affect folks on fixed incomes? Chair Howard had heard from members of the Board of Equalization and Review that some of Chatham's appeals are older widows on fixed incomes and financially constrained on paying property tax and those numbers are increasing. Commissioner Kenlan said what is exciting about programs like this is there are programs available but they are so restrictive.*

*Commissioner Delaney was curious about the multiple tax programs and restrictions on qualifying for more than one. Commissioner Kenlan likes that Orange County does not put restrictions on the number of tax programs residents qualify for. Mr. LaMontagne said it gets back to keeping people in their homes. Mr. Butts said people who have been in the community and contributed to the community should be able to retire and continue to live in the community. Commissioner Delaney said the Board should want to define its goals pretty clearly and know what it is trying to achieve and why. Mr. Butts said he would need pretty specific goals so that he could reach out to staff about whether or not they can achieve those goals.*

*Mr. Butts doesn't know if a program could be in place by FY24, but they could definitely have it implemented by FY25. Mr. Butts said the next step would be to talk with Tax, DSS, Housing, and the policy analyst and develop a proposal for how Chatham could implement a program. Vice Chair Dasher said if there was a cap on the budgeted amount available then there wouldn't be as much of a need to cap the value of homes eligible.*



[22-4621](#)

## Overview of Budget &amp; Financial Policies

**Attachments:**     [Financial Policy](#)

*Mr. Butts gave a presentation to the Board. (Presentation attached)*

[22-4622](#)

## Heads Up Items and CIT Updates

**Attachments:**     [FY24 HeadsUp BOC Presentation](#)

*Mr. Butts gave a presentation to the Board. (Presentation attached)*

*The CITs worked great for addressing goals of Plan Chatham, but the static groups are not necessarily what is needed to meet County needs going forward. All departments want the collaboration to continue. Development Services will continue to meet regularly because of how their departments are intertwined in day-to-day operations. There are many other collaborative groups meeting such as the Opioid group. Mr. LaMontagne these teams were very important for addressing the Plan Chatham goals and it brought about a culture of collaboration that has been beneficial for the County and all its departments. It isn't just department heads collaborating, it is employees at all levels of service.*

*Chair Howard asked if Chatham County Schools had representation on a CIT. Mr. LaMontagne said no, but they have been included in lots of different collaborative teams but not in the Plan Chatham CITs. Chair Howard asked if there was room for a collaborative impact team that could address entrepreneurs. Mr. LaMontagne said they have actually already had some collaboration with the three groups who reported in the fall and now with the Capital Area Workforce Development Board. Mr. Thompson said the homelessness working group is another example of a collaborative team.*

*Chair Howard asked if there was a mechanism in the manager's office to pull collaborative impact teams together when needed. Mr. LaMontagne said absolutely. Ms. Miller said she could think of a handful of teams that the County is the lead and there are other groups like Digital Inclusion and Cooperative Extension said they wanted to take the lead and had the capacity. The County is still involved but not driving the work. United Way is driving the homelessness working group, but the County is involved but not driving it. The County may not be the best front person all the time in the driver seat.*

*Chair Howard said CITs were very intentional and she didn't want them to become accidental.*

*Vice Chair Dasher asked if staff could imagine a scenario where this would be tied to the county manager or assistant county manager in the organizational chart. Mr. Thompson said the managers kind of already do, like with Digital Inclusion. Some things naturally align because of the functions underneath a manager.*

*Vice Chair Dasher said these things work now because Chatham is small. Chair Howard said the value of the CITs was immeasurable and she doesn't want to lose that.*

*Commissioner Delaney said he was encouraged by what staff is saying because it has happened naturally. He said maybe there could be quarterly check-ins on the key project areas that are most important to the Board.*



*Vice Chair Dasher thought the Dashboard Commissioner Gomez Flores and Ms. Ray talked about would be a great way to track and report out. Mr. LaMontagne said Ms. Ray sent him information last night and staff will start to look at that after the retreat.*

*Commissioner Gomez Flores said his only concern was losing institutional knowledge and culture when folks retire or leave the organization.*

*Mr. LaMontagne said the analyst group meets independently regularly and is not led by a department head. Ms. Miller said she and Mr. Thompson no longer attend those meetings but are available if needed. Mr. Thompson said the continuum of collaboration is to be able to see over and through and break down those silos.*

*Mr. Butts reviewed a shift of the CITs to budget functions.*

*Commissioner Gomez Flores said he thinks of recreation as physical activity. Are the arts and culture for recreation? Mr. Butts said there will be a presentation later today on recreation and the arts.*

*Commissioner Gomez Flores asked how they can get information out to the public. The public doesn't know the County is providing money to the municipalities for recreation. They need to intentionally say that X, Y, and Z are happening. Mr. Butts said it could be as simple as linking Siler City's webpage on the County's webpage. Commissioner Delaney agreed the Board needs to emphasize more of what is available and put positive news stories out there.*

*Chair Howard said there is a lot of information to be shared, and the people interested in it will see it on the County website. Commissioner Delaney suggested it could be emphasized quarterly. He asked if there was a document or page on the website about basic/good government. Mr. LaMontagne said staff can look into that. Commissioner Delaney said he gets a lot of questions from residents from different parts of the county, and they don't understand how things work in North Carolina and in Chatham specifically. Chair Howard said people often only look for the information when something goes wrong, or they have a complaint. Commissioner Kenlan said something like the recreation information can be done through public relations or advertising.*

*Commissioner Gomez Flores believes more individuals are retiring than those entering the workforce. Mr. LaMontagne said the great resignation during COVID has a lot to do with that. Ms. Miller said some people are retiring with long tenure in local government but people replacing them are not staying as long. People change jobs more frequently now. Commissioner Gomez Flores asked if the County has a career pipeline to help with this. Mr. LaMontagne said he consistently discusses that with Dr. Jackson, Dr. Chapman, and Mark Hall. He has also talked with the Department of Insurance about the same thing. Ms. Miller has had a lot of conversations with Chief Deputy Steve Maynor. A person can't be a sworn officer until they are 21 years old so there is a gap between high school and when someone can be sworn. Commissioner Delaney said he would be thinking of this when the board discusses legislative issues. Mr. LaMontagne said the County puts folks on the payroll while they are in basic law enforcement training, and they are full-time hires after they graduate.*

[22-4620](#)

## Solid Waste Fee Discussion

**Attachments:**     [Solid Waste Fee](#)

*Budget Analyst Will Curvin gave a presentation to the Board. (Presentation attached)*

Commissioner Gomez Flores asked if Solid Waste employees are paid out of the enterprise fund. Mr. LaMontagne said yes.

Chair Howard asked if the calculation included the state demographer's projected growth each year. Mr. Curvin said yes.

Mr. Thompson said excess revenue goes toward expansions or large capital expenses like trucks. Environmental Quality Director Kevin Lindley has a 15-year replacement schedule. In the model, staff assumes capital expenses annually. These numbers assume departments are on a regular replacement cycle.

Vice Chair Dasher asked if curbside pickup is more economical. Mr. Thompson said in areas with more density that was a good model. Mr. LaMontagne said the County looked at franchising that service many years ago and many private haulers wouldn't do it because of the low density in the unincorporated areas.

Commissioner Delaney asked if there were unique aspects of the dense places in unincorporated areas. Mr. LaMontagne said it is difficult to handle different areas differently. It needs to be a county-wide program/solution. Commissioner Delaney said his understanding was the HOA in Briar Chapel had tried to figure out a way the residents wouldn't have to take yard waste between 9 am and 3pm on a weekday because it is a hard thing for people who work and it is inefficient. Mr. LaMontagne said yard waste is definitely a bigger issue in high-density areas. Yard waste is even an issue for the towns. Siler City does yard waste and brings it to the County facility.

Mr. Butts said before the end of the retreat staff will ask the Board if it has a preference for a fee increase.

The Board discussed a fee increase. Chair Howard and Commissioner Kenlan were comfortable increasing \$15/year.

Commissioner Kenlan asked if it included a possible new collection center. Mr. Curvin didn't think there would be a need for a new center.

Vice Chair Dasher asked why the centers were closed on Sundays. Mr. LaMontagne said that was the day the County had the least number of visitors.

Commissioner Delaney said his preference was for \$12 because change is hard and when residents see every number rising it is hard for people to digest. Vice Chair Dasher agreed. Commissioner Delaney said \$15 was already over a 10% increase. Chair Howard was a little uncomfortable knowing the Board would be asked to come back in three years and do this again. The Board discussed how to promote an increase to receive maximum buy-in from residents. Commissioner Gomez Flores asked who sets the operation times of the centers. Mr. LaMontagne said solid waste staff. Staff are still working when they are closed, it is when they handle their maintenance.

Mr. Thompson said it sounded like the Board is leaning between \$12 to \$15 and not going up to \$20. The Board agreed. Mr. LaMontagne said staff can bring something back to the Board. Mr. Butts said staff wants to get a handle on collection center staff and how to handle operations going forward. For a lot of folks, these are the only County employees they ever interact with.

[22-4642](#)

Discussion of Occupancy Tax

**Attachments:**     [Occupancy Tax](#)

*Mr. Lindley gave a presentation to the Board. (Presentation attached)*

*Commissioner Delaney asked what the largest source of this revenue was. Mr. Lindley said hotels. Commissioner Kenlan asked what qualifies as a hotel. Mr. Lindley said Chatham has about 250 hotel rooms and that does not include AirBNB. The majority are on the west side of the County.*

*Commissioner Gomez Flores asked if the rooms in the west were mostly occupied by homeless individuals. Mr. Lindley could not answer that. Mr. Thompson said a bit of the County's emergency re housing utilizes hotel space. Mr. LaMontagne said the motels are not full of people experiencing homelessness.*

*Commissioner Gomez Flores asked if a Tourism Development Authority's (TDA) employees would be employees of the County. Mr. Lindley said no, it is its own entity and separate from the County.*

*Chair Howard said in the absence of a TDA Chatham can push tourism. Convention and Visitors Bureau Director Neha Shah said all of the goals of CVB are in line with County goals because they are a function of Chatham County. Chatham has a great deal of nature-based assets.*

*Vice Chair Dasher said Asheville is a good example of how the goals don't always line up.*

*Commissioner Kenlan asked what the occupancy tax is spent on. Ms. Shah says Chatham's current occupancy tax funds County CVB staff.*

*Commissioner Delaney asked what triggers the formation of a TDA. Mr. Lindley said any change at all to the County's current structure.*

*Mr. LaMontagne said it is a lot like museums. Mr. Lindley said Phase Two of the Agriculture and Conference Center may qualify.*

*Mr. Lindley said in 2008 the Board did discuss possibly increasing the tax but there was a lot of push back from the community and stakeholders.*

*Commissioner Kenlan asked how a new hotel in the east raises an equity issue. Mr. Lindley said hotels and motels in the west don't have a problem filling their rooms and they could have an issue if their taxes would go to subsidize a new hotel in the eastern side of the county.*

*Commissioner Delaney asked if there is anything that gives the TDA more authority on capital improvements. Mr. Lindley hasn't seen that they have more authority.*

*Mr. LaMontagne said this was all good information, but he doesn't feel the County is at a place where there needs to be an increase. The new hotel is very concerned about the timing of bringing this discussion back up. Ms. Shah said any change would require a planned roll out because of government contracts. Chair Howard asked if 3% is okay for the time being. Ms. Shah said the CVB has been very successful with the 3%. They have been able to plan for Chatham Park and are very conservative with their budget.*

*Commissioner Gomez Flores asked if staff knew if Buncombe County would do any lobbying at the state level. Mr. Lindley could not speak to that. Chair Howard asked*

how many TDAs are in NC. Mr. Lindley did not know the exact number but there are a lot.

Vice Chair Dasher asked what would happen if the town had the authority to do 3%. Mr. Thompson said they are still trying to figure that out.

Commissioner Delaney said the increase in revenue in the next couple of years will be a great news story.

Chair Howard said she would like to know of a county with a well-developed tourism program without a TDA.

## 22-4623

### Overview of Debt Reserve Model

Doug Carter, Jeremy Carter, and Andrew Carter with DEC Associates gave a presentation to the Board.

D. Carter gave a brief history of their relationship with Chatham County.

J. Carter gave a general introduction.

A. Carter reviewed long-term financial planning.

J. Carter reviewed bond rating criteria changes and stressed Moody's was the most difficult to achieve. One of the changes is the management criteria which has decreased to 10%. Also fixed debt/pensions now have leverage and have increased to 30%. Leverage is outstanding debt.

D. Carter said for a long time the rating agencies considered Chatham a bedroom community for surrounding counties. Now they will see Chatham as a job producer with the two economic announcements in 2022 and that is going to be a real plus.

Commissioner Gomez Flores asked what would give Chatham a better rating based on the change in leverage. Would more debt get a better rating? A. Carter said no. The leverage is the category Chatham will probably score the lowest but Chatham scores high in the other three. They do not anticipate the leverage change will bring Chatham's rating down. D. Carter said high growth in NC happens a lot and it causes the leverage calculation to be stressed but they explain it by how Chatham has offset it in other ways.

Commissioner Delaney asked about the timing of the new rating. J. Carter said Chatham is surveilled once a year but the next real consideration will be the next financing. D. Carter said they will probably bring them to the county for an onsite visit. J. Carter said the leverage category is the only category Chatham has to work on. Mr. LaMontagne said they want Moody's AAA rating but it did not affect Chatham's rate at the last borrowing to have the next highest rating. D. Carter added that Chatham has earned it and wants it. Mr. LaMontagne said it is a point of pride.

A. Carter said Chatham has been good in revaluation periods to not keep the tax rate revenue neutral on the capital side. Mr. LaMontagne said one penny equals about \$1.5 million.

## 22-4643

### Conservation/Farmland Preservation

**Attachments:** [Farmland Preservation Presentation to BOC - Budget Retreat - 2023](#)

Assistant County Manager Bryan Thompson gave a presentation to the Board.  
(Presentation attached)

NC Cooperative Extension & the Soil and Water Conservation District are the main contacts for this work. The Preservation Plan was first adopted in 2010. Mr. LaMontagne said it needed to be revised and updated.

Commissioner Gomez Flores said he was excited about western timberland and hundreds of acres each for sale/auction. He asked if there was a priority of where staff is looking to begin. Mr. Thompson said Cooperative Extension Director Dr. Ginger Cunningham and Soil and Water Director Susannah Goldston could provide the best answer. These producers will self-identify, and the cost of the easements is costly and a major hurdle for producers.

Mr. LaMontagne said staff is working with other agencies like the Triangle Land Conservancy to provide additional funding. Mr. Thompson said this program would bring more of the activity in-house. Mr. LaMontagne said the Farmland Preservation Plan will help with the priorities that Dr. Cunningham and Ms. Goldston have already identified.

Vice Chair Dasher said the Board may need to prioritize whether it wants to preserve existing farmland. Mr. Thompson said the need was building the program, and demonstrating its value, and Dr. Cunningham and Ms. Goldston know the areas of concern and they can balance that interest.

Commissioner Delaney asked if there were any connections with the Fair Association with African American farmers. Mr. Thompson said the first part of his question relates to enhancement and he is not sure about that. There have been conversations of an equity lens that is applied. When the scope of this plan was developed, staff assessed the rural versus urban divide.

Commissioner Kenlan asked for more information on why the County doesn't use the agriculture back tax for a program like this. Mr. LaMontagne said the rollback tax is tax dollars forgone by the County to give someone a tax break to preserve the land already in agriculture. That is an investment by the County for that preservation. When they sell it for development, the County requires 3 years of back taxes from most recent years. Now the County has Article 46 funds which are a dedicated source of funding farmland preservation.

Commissioner Kenlan said Wake County uses its rollback tax for agriculture preservation. Mr. LaMontagne said it's general fund money. It is just property tax. Commissioner Kenlan asked if the County could use the tax for this. Mr. LaMontagne the Board can choose to do that with any general fund dollars.

Chair Howard said the pressures of growth and development are several significant issues to consider, like building schools, parks, and recreational space as well.

Vice Chair Dasher asked, given time, if this get maxed out. Mr. Thompson said this was new enough that they are not fully informed of indicators of how much of an impact this program will make.

Chair Howard said she felt that using the rollback tax feels like using the people's money twice.

Commissioner Kenlan said the Board needs to be careful about saying that what the County is doing now is better than what has been done historically.

*Mr. LaMontagne said in 2019 there were \$300,000 in rollback taxes. We need to see how this goes and then assess. Chair Howard said some preservation is an incentive to the agricultural community to stay in production. Mr. Thompson said it helps in making it more appealing and accessible as a career.*

## 22-4624

### Expanding Arts Programming

**Attachments:**     [Enhancing the Arts](#)

*Assistant Parks and Recreation Director Jina Stamey and Budget Analyst Will Curvin gave a presentation to the Board. (Presentation attached)*

*Commissioner Gomez Flores asked where Earl Thompson Park is located. Ms. Stamey said in Bynum.*

*Mr. LaMontagne said expanding arts programming was a Board goal this past year. The question is does this help meet that goal?*

*Vice Chair Dasher asked about staffing and whether this would require a separate advisory board. Chair Howard thinks the partnerships and collaborations will fill that need. Ms. Stamey agreed. Arts is housed in a lot of recreation and parks departments. In Chatham, they operate a lot like a municipality with what they do and offer. She took a tour of Pullen Park, and she quickly learned she knew nothing about art. Art expertise is needed and very important.*

*Vice Chair Dasher asked about a policy for putting art in public spaces. Ms. Miller said back in 2016 2017 staff developed a policy for public art in County spaces, so they have some historic foundation there. Having it housed in Parks and Recreation and Cultural Resources is a good strategy. Chair Howard said there will be the opportunity for tourism to partner in this function.*

*Chair Howard gave the historical background of funding the arts over the past few years. This will grow and change and evolve.*

*Commissioner Gomez Flores said it was a good idea, but he thinks arts should be funded as arts and be separate from recreation. He believed arts is overshadowing what recreation programming traditionally is. He would like to see more organized athletics throughout the county. Vice Chair Dasher said he didn't think it was an either-or scenario. The Board probably needs to consider an advisory board format that may need to change.*

*Chair Howard said she didn't see parks and recreation and arts as competitive. They are sisters and enhance one another. Together they all provide a sound education. They do not detract from each other. The Board doesn't want to diminish the importance of and access to traditional sports programming. Mr. LaMontagne said he could see the department having two sub functions with staff dedicated to each.*

*Commissioner Gomez Flores felt athletics would stay stagnant and arts would be elevated. Ms. Stamey has noticed over the last five years that athletics is not all recreation is about. Kids who are not athletic are missing out on recreation. Staff is trying to touch all people, not just athletics. Mr. Thompson added they also strive to touch all ages and abilities.*

*Ms. Miller said now that the County has a more diverse staff they can do a lot of new things like archery.*

Commissioner Kenlan thanked them for the presentation and for providing these new opportunities.

## 22-4625

### Intergovernmental Relations

**Attachments:** [Intergovernmental Relations Presentation for 2023 BOC January Retreat](#)

Clerk to the Board Lindsay Ray gave a presentation to the Board. (Presentation attached)

Ms. Ray explained that the Board asked staff at the May 2022 Budget Work Sessions to look into adding an intergovernmental relations position to the Manager's Office. Ms. Ray based her initial research on New Hanover County's intergovernmental affairs manager position. Ms. Ray thanked Ms. Miller for advising her over the past six months to prepare for this presentation.

Ms. Ray said New Hanover's liaison position is legislatively heavy. She contacted Wake County, and they contract out this function. Mecklenburg County works in tandem with the City of Charlotte. Both Wake and Mecklenburg counties are also heavy on the legislative side. Ms. Ray contacted 17 counties and only a handful had one or multiple staff persons providing an intergovernmental relations function.

In Chatham, staff builds relationships based on job functions and tries to connect them as the County has grown. Staff does not currently have a way to consistently connect issues to a bigger picture. There is no process or mechanism for shepherding the original questions presented to the manager's office/clerk's office through the process of working with departments to get answers.

Ms. Ray said staff wants to shift from being reactive to proactive. Chatham is at a size in which staff can grow their jobs and there are many options available. Four functions of intergovernmental relations:

- Advocate – local, state, and national
- Resource – local, regional, state, and national
- Collaborator – local, regional, state, and national
- Ambassador – local, regional, state, and national

Ms. Ray said with all of the economic development and growth in the County the Board has an opportunity to control the narrative as Chatham rises to national attention.

Vice Chair Dasher said the function does seem like it is more than a public information officer role and lobbying role.

Ms. Ray said New Hanover, Wake, and Mecklenburg counties have lobbyists working for them and staff does see that over time legislative work would become a significant chunk of this function.

Commissioner Gomez Flores asked how the counties worked with municipalities and were those positions only funded by the county. Ms. Ray said they were funded by the counties and were more of a resource for the municipalities.

Mr. LaMontagne said the towns don't know what the County is doing and vice versa. There is a need to build relationships and share information with each other. Intergovernmental relations in Chatham is different here than it is in Mecklenburg & Wake counties.



*Vice Chair Dasher said it would be important to build those regional relationships as well.*

*Chair Howard said an intergovernmental relations manager could be ears for the Board and others. During the legislative goals process for the North Carolina Association of County Commissioners two counties had the intergovernmental position present to explain their Board's goals and were able to give context as professionals. The other executive board members were able to see this from a more holistic perspective as the staff was not affiliated with a party. Lots of counties have shared issues like water. A staff member who has witnessed the conversations with the Board and experienced the issues firsthand is an asset. New Hanover County is not a model for Chatham but the ability to liaise with all their municipalities is important. The connection between them can be very valuable and an opportunity to have better internal relationships built. She thinks this function is lacking in Chatham County.*

*Ms. Ray said the Town of Goldston is going to need Chatham's help. The clerk works full-time and volunteers for the Town. They don't have any staff. Siler City and Pittsboro need Chatham's help too and they have very different service needs.*

*Chair Howard said the Board is not going to address issues around equity and diversity without a person who can bring light to these issues. Commissioner Kenlan said she wanted to understand how the County is committed to equity and diversity. She wanted to know if the County would be open to a consultant. Ms. Miller said the open community engagement position will take on equity internally and externally. This position would work with nonprofits externally but also with internal processes. The intergovernmental position would be a proactive way to address these problems.*

*Commissioner Gomez Flores said other municipalities do not know what the County is doing. He asked if the Board was open to a joint meeting with Siler City due to developments in the area. Mr. LaMontagne said that is a decision of the Board. Ms. Ray said before Covid the County did meet annually with the municipalities.*

*Chair Howard said a joint meeting could be a show of goodwill and a way to introduce everyone to each other.*

*Mr. LaMontagne said he could get with the staff and discuss agenda items, and they may have ideas that County staff are unaware of. Staff can also include what this board would like to hear about*

*Commissioner Gomez Flores said a joint meeting could have a fine-tuned version of the presentation the Board had today about the intergovernmental position.*

*Ms. Ray said joint meetings are also a good way to work on shared legislative goals. Chair Howard said local relationships matter.*

*Commissioner Delaney said this is his first time hearing about an intergovernmental position. He asked if it could present its own challenges. Lobbying is a full-time job. He wonders about the mission and would love to hear more about it over time. It is a great concept.*

[22-4626](#)

Trends Affecting Next Year's Budget

**Attachments:** [Trends Combined final](#)

*Budget analysts Will Curvin and Erik Lindley gave a presentation to the Board. (Presentation attached)*

## 22-4627

### Current Year Accomplishments

**Attachments:**     [FY2023 Mid-Year Accomplishments](#)  
[v3Day Three Chatham Retreat Participant Agenda](#)

*The facilitators asked commissioners how they felt the retreat had gone so far. Chair Howard felt they were going in a good direction with this new group.*

*Ms. Farmer said after they hear about the mid-year accomplishments they will talk about opportunities and then come back together and tie the three days together. She reviewed the events and discussion of the first two days of the retreat. The Board started with their 30-year vision and that will be revisited later in the day. She encouraged the commissioners to make notes throughout the presentations and be prepared to share.*

*Mr. LaMontagne reviewed the mid-year accomplishments of county departments.*

*There was some discussion about tracking issues of the different departments and reporting to the Board. Mr. Thompson said it would be difficult to report everything to the Board and it would help for the Board to identify key priorities so that staff can better provide regular updates.*

*Ms. Farmer asked the Board if anything stood out as a great achievement. Chair Howard said nothing stood out to her as a long-time commissioner. They know this work is being done. She suggested it may be better to hear from new commissioners. Vice Chair Dasher said it is always interesting that a lot of the budget items the Board approved and asked for are not super sexy, but they see in the accomplishments that what they approved is helping. Commissioner Kenlan said all the software integration was interesting to see. Commissioner Delaney said he was glad to see things like HR going to online on boarding as the county grows and they see that as an achievement instead of a challenge. Commissioner Gomez Flores said they can see Chatham County is transforming.*

*Ms. Farmer asked if there was anything they thought they would see but didn't. Commissioner Delaney said he would have liked to see how the staff are responsive to residents because he knows staff are doing a great job of that. Chair Howard said the County does the biennial customer survey which helps understand that a little better. She liked to see the website Spanish translation and the CPR course as Chatham has a large aging population.*

## 22-4628

### Expected Conditions Affecting Next Year's Budget

*Mr. Butts gave a presentation to the Board. (Presentation attached)*

## 22-4629

### Commissioner Discussion of Goals and Priorities

**Attachments:**     [Expected Conditions FY24 Budget DRAFT](#)

*Ms. Farmer asked how the Board felt about the meeting guidelines. Commissioner Delaney said they were a helpful check on how they are engaging each other and checking themselves on whether they did those things throughout the meeting. Vice Chair Dasher said balancing advocacy and inquiry is almost how each commissioner*

receives questions about their advocacy. Commissioner Delaney said he sees it as a balance of not thinking they must share everything and also not assuming everyone knows everything. Chair Howard said checking assumptions is not just the subject matter but one's assumptions about others. She wants to ask other commissioners to tell her what they are trying to fix without coming across as saying she doesn't understand what they are saying. Commissioner Delaney said he would like to add "Yes, and..." as a guideline.

Commissioner Kenlan asked how much communication commissioners have ahead of time with each other before a meeting. Vice Chair Dasher said that is something he is personally much more comfortable with. Commissioner Delaney asked about the Sunshine Law and whether talking one on one is a violation of the law. Ms. Ray said talking with each other one on one is not a violation of the Open Meetings Law. Staff will always encourage commissioners not to "reply all" on electronic communications simultaneously as a way to ensure an electronic meeting isn't taking place. Commissioner Kenlan said she was talking about whether or not she wanted to let a commissioner know she was going to make a motion at a meeting or her thoughts. Vice Chair Dasher said when in doubt they should pick up the phone. Chair Howard said commissioners should be prepared to hear from the rest of the Board if they bring a motion or an agenda item to a meeting.

*Discussion about Levels of Support:*

Chair Howard gets frustrated when a commissioner votes no on an item, but they never say anything during the discussion to explain why they voted no. It is a disservice to the community when a commissioner votes against something and the community is not given an explanation as to why. Their reason to vote no may be a concern someone in the community had as well.

Vice Chair Dasher said not everything they do is a decision point. Because of their profession, they do like to talk about things a lot. He may have significant concerns about what someone is saying but he doesn't feel the need to bring it up because it isn't affecting any decision the Board is making. Commissioner Delaney said there really isn't a standing aside option for commissioners because they have a duty to vote.

Chair Howard said the levels of support handout was a good tool.

Commissioner Delaney said when he sees the goals again, at the 50,000-foot level, they may need to craft a couple more strategic focus areas and develop new goals. Vice Chair Dasher said there are strategies in the comp plan under each goal. Commissioner Delaney said the community had given its vision in the comp plan.

The facilitators led the commissioners in an exercise to identify key issues important to them by putting a sticker next to the ones that rose to the top for them. The areas identified are below with the number of votes each received:

- DEI (diversity, equity, inclusion) Plan 3
- Infrastructure 1
- UDO 2
- Health 2
- Transportation 1
- Local Economic Development 4
- Natural Resources 1
- Affordable Housing 3
- Broadband 2
- Partnerships 4
- Culture

- *Organizational Excellence 2*

*Direction for Budget Staff:*

*Mr. Butts said staff believe there will be an increase in sales tax and property tax revenues as well as other revenues. There are always a lot of requests but never enough funding. Staff need to know the Board's threshold for revenue. Mr. Butts said if the Board does not want to have a tax increase, it is going to be tight. Mr. LaMontagne said that would mean including the Schools' request and hopefully salary increases for County staff.*

*Mr. Thompson said the Schools' request is by far the highest expansion request the County has received in recent years. Mr. Butts said the additional school funding is an additional 3.4 cents on the tax rate, about a 5% property tax increase as it stands now. Commissioner Kenlan asked who sets the impact fees. Mr. Thompson said the County does by study per local bill. If the County Board wanted to increase the impact fee it would have to do a study first. He reviewed the history of Orange County losing their impact fees and how Chatham was removed from that legislation that stripped several counties of the ability to apply impact fees. Mr. Butts said Articles 40 and 42 funds are able to be used for schools and Chatham utilizes those funds mainly for school debt. Staff utilizes everything earmarked for schools by addressing the largest expense first.*

*Mr. Thompson said they are going to have to make some difficult decisions. Vice Chair Dasher said the Board hadn't raised the tax rate in four years but the County did do the revaluation. Chair Howard said the Board was going to have to be the ones to decide whether it needs to be done regardless and would need to explain that the schools are the largest asset to their community.*

*Commissioner Delaney said he would like more detail on the parts not related to school salaries. Mr. LaMontagne said staff would try to whittle the request down with the Schools. Commissioner Delaney asked if there were any materials staff could send the Board that the Schools sent to staff. Ms. Miller explained the compression problem of raising school staff to \$15/hr. Mr. Butts reviewed the programs the Schools funded with ESR funds and their requested \$900K to continue those programs. Commissioner Delaney said all those critical programs lumped together makes it hard for the Board. The Board ought to be able to look at best case and worse case scenarios. He doesn't think all those things started during COVID and they were funded another way. He asked if there an expectation that county residents are going to have to take on programs funded with federal and state interests that those entities have now walked away from because funding was no longer available.*

*Chair Howard said in the Schools' context those are new programs. AVID was only in two schools. ONE Academy is new and will go in where SAGE academy was located. The schools ESR funds were restricted just like the County's CRF funds and they were strategic with how they used them. She is not comfortable deciding what programs should be funded. The Schools should decide what programming they have based on the funding the Board will give them.*

*Commissioner Delaney said his interest was knowing the Board has good options to discuss. Even if the conversation is just around a high, middle, and low dollar amount and how those options meet their needs, that would be helpful in making the County's funding decision.*

*Commissioner Kenlan said that goes against the budget/county staff relationship with the Board of Education and Schools staff. She wants to trust their diligence and what*

*they think is appropriate for Chatham public schools. Commissioner Delaney said he was not sure he was suggesting that level of detail.*

*Vice Chair Dasher said both are possible. \$4.9 million is going to be tough. He asked if the Board went to \$3 million what would it look like. Mr. LaMontagne said staff is still waiting to see their financials and they don't know their fund balance. They still have many conversations ahead. Commissioner Delaney would like to know the Board is looking more broadly than just the school request.*

*Commissioner Gomez Flores was not interested in a tax increase. He suggested finding programs that could be funded once. What can the County do without for a year or maybe two? Vice Chair Dasher agreed with that. He does not think a tax increase is the right thing to do. Mr. Butts wanted to give an absolute worst-case scenario so in May the Board is not surprised.*

*Mr. LaMontagne said they may need to have more meetings as staff refine the numbers and come back to the Board with what different levels of tax increases mean.*

*Chair Howard said they live in a part of the state where they know the threat to the teaching staff in Chatham County Schools. They know they are under funded where exceptionality is concerned. She knows the Board wants Chatham residents to be at the front of the line for these jobs. She is not so held to a tax rate that she is going to pinch off the work that needs to be done in the education space to save \$4 million. She feels her responsibility is to make sure kids get the same education she got so they can one day sit at the table.*

*Commissioner Gomez Flores asked what the Board is legally required to fund. Are the Schools relying on us for their funding? Can others share that responsibility?*

*Commissioner Kenlan said Chatham is going through a lot of growing pains right now. She would like to do everything possible to avoid a tax increase but if there was a way they could tweak the numbers to see what they can provide for Chatham public schools she thought that was important. This is why she really tried to learn about the debt load before the CIP work session. She is open to different methods.*

*Commissioner Delaney asked if it were known when Leandro funding would become available. Mr. LaMontagne said the staff did not know. Commissioner Delaney said schools were important to all of them and so is fiscal responsibility. He would be open to other options with more information.*

*Mr. LaMontagne said even when staff works with the Schools to reduce the request, they are not going to be able to do very much. Mr. LaMontagne was afraid the pinch would come by limiting expansions for County requests and compensation for County employees.*

*The Board directed staff to bring back some options at a future meeting.*

## **ADJOURNMENT**

**A motion was made by Commissioner Delaney, seconded by Commissioner Kenlan, that this meeting be adjourned. The motion carried by the following vote:**

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