

## **Alston Delivers No-Tax-Increase Budget**

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In the months leading up to the adoption of the Guilford County fiscal 2009-2010 budget, Chairman of the Board of Commissioners Skip Alston promised the budget wouldn't contain a tax increase and, at the commissioners Thursday, June 4 meeting, Alston delivered on that promise.

The 2009-2010 budget totals \$586.1 million and keeps the county property tax rate at 73.74 cents for every \$100 of assessed property value - meaning the owner of a \$200,000 house would pay \$1,474.80 in county property taxes on that house.

The new budget funds the schools operating budget to the tune of \$175.1 million - the same amount the schools got for that purpose last year, and, as expected, it allocates \$4 million to the school system for its capital budget, which is used for repair and maintenance of school facilities. That's \$3 million less than the county gave the schools for that purpose in the 2008-2009 budget.

The commissioners' delivery of a no-tax-increase budget is impressive given that, a couple of years ago, Guilford County Budget Director Michael Halford was projecting tax hikes of 12 or 13 cents for this upcoming fiscal year - if, that was, the county continued on the financial course it was on at that time. It's even more impressive to realize that the board passed a budget with no tax increase in a year when revenues from sales tax are down and other sources have been drying up.

Also, the county commissioners adopted their budget earlier in June than any budget in recent memory, and it's too soon to know what most other counties will do, but Alston and Vice Chairman Steve Arnold seem convinced that, when July 1 rolls around and all of the state's county budgets are completed, the Guilford County budget will turn out to be one of the most responsible budgets in the state, if not the outright winner in that category.

Also fascinating is the way the budget came about: One of the county's most liberal commissioners, Alston, teamed up with one of the most conservative commissioners, Arnold, and the two proceeded to lead a group of commissioners to oust the county's top three leaders in terms of line of command, and put in their own choices - County Manager Brenda Jones Fox and Guilford County Human Resources Director/Special Assistant to the County Manager Sharisse Fuller. The group proceeded to cut and cut - and then managed to get their budget passed on a 9-to-2 bipartisan vote.

Commissioners Paul Gibson and Billy Yow voted against the budget and both said they did not support it because the budget is packed with pork - what in Washington would be called earmarks.

For instance, for some unexplainable reason, the county gives taxpayer money to the African American Atelier every year. Well, it's not really unexplainable: It has something to do with the fact that NC Rep. Alma Adams, who runs the art gallery, has friends on the Guilford County Board of Commissioners.

This year, at the last minute, the atelier got an additional bump as well. The manager's proposed budget called for the gallery to get \$50,000 of taxpayer money, but one of the final amendments to the budget added \$25,000, giving the gallery a total of \$75,000.

And some commissioner snuck in \$20,000 in taxpayer money under the wire to fund a non-profit group called "I Am Now." No one at the meeting seemed to know what the group did, and county staff who work with area non-profits couldn't give a clear explanation. Just so everyone knows, the group provides "transitional housing" for homeless men in their late teens and early 20s - largely foster children who have aged out of foster care. Travis Burrell, the executive director, is a motivational speaker who runs the organization.

The budget gives \$50,000 to another non-profit new to the county budget: the War Memorial Foundation, which will use the money to hire staff who will begin an effort to create a new memorial athletic field that may be built at or near Triad Park.

A few weeks ago, when Alston and Arnold were asked what the War Memorial Foundation was, after it showed up on the manager's proposed budget, neither of them had an answer and, when they were reminded that they were giving \$50,000 of taxpayer money to it so perhaps they should have some idea of what the money was to be used for, a county staff member jumped in and offered an answer, if a vague one.

Other pork projects funded in the new budget are the Hayes-Taylor YMCA, which is getting \$300,000 of taxpayer money to put toward a new facility in southeast Greensboro. The Hayes-Taylor YMCA will then turn around and charge a membership fee for county citizens who wish to use the facility.

Also, the Carl Chavis YMCA in High Point will get \$25,000.

Malachi House is getting \$25,000; Nia Community Action Center, a group that tries to help fight the spread of the HIV virus, is allocated \$25,000 in the new budget; and Joseph's House, a home for homeless youths, will be given \$50,000.

The High Point Shakespeare Festival has been allocated \$30,000 and, Alston's pet project, the East Market Street Development Corp., gets \$25,000 to help enhance an area where Alston owns a lot of property.

The United Arts Council of Greensboro receives \$100,000 in county money in the new budget, while the United Arts Council of High Point gets \$75,000.

Before Gibson voted against the budget, he said these groups do good work.

"But that's not our first line of responsibility," Gibson added.

Gibson was also critical of \$1.3 million in the budget that's included for a plan Arnold hopes will spur economic growth in the county by offering tax breaks to businesses that add to the tax base. Right now the plan is just an amorphous \$1.3 million gleam in Arnold's eye, and Gibson said the board shouldn't allocate money for the purpose until there's some structure to the plan.

That \$1.3 million is the amount of revenue, according to Guilford County Tax Department estimates, that would be lost in one year by not collecting property taxes on commercial additions to the tax base. Arnold and Alston say they believe the county will recoup that money in subsequent years due to financial growth spurred by the incentives.

Arnold is the first to admit that his plan has no structure right now, but he said he wants to see the plan in place at some point during this fiscal year and he wants the money to be there to fund it when that time comes.

Gibson said that, if you took the hundreds of thousands of dollars going to the non-profits, and the \$1.3 million going to Arnold's plan that doesn't exist yet, the board could give more money to the schools for maintenance and repair - something Gibson said is in fact a legitimate county responsibility.

For years and years, the Democratic commissioners have asked for their pet projects to be funded, and they have held out votes on budgets that didn't give money to causes in their districts or groups run by friends of theirs.

Even Arnold, a key architect of the budget, said at the meeting he agreed with Gibson about funding the non-profits. However, Arnold said the nature of politics made that a necessity. Arnold said he didn't like everything in the budget - especially the funding of the pet projects - but he said that if spending \$50,000 here and \$50,000 there could result in a budget that saved the county millions upon millions of dollars and delivered the citizens a budget with no tax increase, he was willing to make that compromise.

Arnold added that, in his nearly 20 years as a commissioner, he couldn't recall a budget that commissioners had spent more time crafting, and he couldn't, he said, remember a time when commissioners have worked so well together across party lines.

Arnold said the reason this came about this year was because of "the resolve of our chairman," and Arnold went on to compliment Alston's efforts and the efforts of the other commissioners.

Arnold called the budget "extraordinarily responsible" and said he was "extremely proud" of the part he played in the finished product.

At the last minute, the Board of Commissioners found an extra \$50,000 for the Greensboro libraries in addition to the \$1.7 million called for in the manager's proposed budget - though that's still short of the \$2.1 million it gave the system last year. The new budget funds the High Point library system to the tune of \$385,000, instead

of the \$475,000 High Point libraries got in the 2008-2009 budget.

The budget offered \$164 million for the county's Human Services operations - including the Department of Public Health, the Department of Social Services and the Guilford Center, which handles mental health issues in the county. That's roughly a 10 percent decrease from fiscal 2008-2009.

In the 2009-2010 budget, public safety operations in Guilford County will get \$88 million in county funds, a decrease of about \$930,000 from the 2008-2009 budget.

Guilford Technical Community College, as expected, got what it did in the 2008-2009 budget: \$11.8 million from the county.

The budget reduced the amount of money in the manager's proposed budget that went to Guilford County animal services by \$183,000, to \$2.8 million. The animal shelter gets an increase of \$117,000 over fiscal 2008-2009. Based on comments made by commissioners in recent meetings, the board expects to revisit the funding for the animal shelter in workshops in the coming months.

Speaking of issues the commissioners are going to revisit in the fiscal year, the new budget, as anticipated, did away with parking fees for some county staff in High Point. Currently, some employees pay for parking spaces while others do not - usually that's determined by the availability or scarcity of parking around the building where the employees work. The commissioners have stated a desire to reevaluate the county's parking policy and to make it fairer. Right now, there's a sense among many commissioners that the current policy is haphazard at best.

Since the housing market has been down and fewer houses than usual are being built, bought and sold, some commissioners - especially Arnold - have been arguing that the Register of Deeds office has more employees than it needs. The 2009-2010 budget saved about \$42,000 by doing away with one position for the Register of Deeds. (Register of Deeds Jeff Thigpen's salary will remain at \$107,000 a year until his next raise.)

One unusual item in the budget - an extra \$250,000 for the County Attorney's Office - was a mystery at the June 4 meeting for a little while; however, later in the meeting, the board voted to hire Nexsen Pruet to take over the county attorney's duties, and some of those attorneys will be paid \$275 an hour.

The last time the county had a county attorney, Sharron Kurtz - who was one of those ousted in the Alston and Arnold coup in December - she was making \$107,000 a year. If the new attorneys end up working 40 hours for 50 weeks out of the year it would cost the county to \$550,000 for each attorney at the \$275 an hour rate.