

**CITY OF LAURINBURG
RECONVENED MEETING
FEBRUARY 8, 2012
MUNICIPAL BUILDING
303 WEST CHURCH ST.
LAURINBURG, NC
6:30 P.M.**

Minutes

The City Council of the City of Laurinburg reconvened its February 6, 2012 meeting on February 8, 2012 at 6:30 p.m. in the council room of the Municipal Building with the Honorable Thomas W. Parker, III, presiding. The following Councilmembers were present: Mary Jo Adams, Kenton Spencer and Andrew G. Williamson, Jr. Absent from the meeting were Councilmembers Curtis B. Leak and Herbert M. Rainer, Jr.

Also present were Edward F. Burchins, City Manager; Jennifer A. Tippet, City Clerk; William P. Floyd, Jr., Assistant City Attorney; Cindy Carpenter, Finance Director; and Mary McNeill, Senior Accounting Clerk.

Present from Scotland County were Commission Chairman Bob Davis; Kevin Patterson, County Manager; Ann B. Kurtzman, Clerk to the Board of Commissioners; Edward Johnston, County Attorney; Mary Helen Norton, Tax Administrator; and Charles Nichols, Finance Director.

Mayor Parker called the meeting to order at 6:35 p.m. Councilmember Williamson gave the invocation.

The City Manager explained that the purpose of this meeting was to have a work session to review information collected in 2009. He added that the City and County had a committee that looked at the issue of consolidating tax collection and Mrs. Carpenter took the information generated in 2009 and updated as necessary and included additional information. He concluded by stating that the purpose is to educate everyone on the issue of tax collection consolidation.

Mrs. Carpenter explained that the group comprised of City and County staff who studied tax collection consolidation did not see any potential savings for either the City or the County; therefore the group looked at other possible positive effects of tax collection consolidation such as a one-stop shopping for citizens and the possibility leading to other cost-saving measures, and others may see consolidation as desirable. She then discussed the expenditures of the tax collection position, including expenditures that would have to be incurred by another City department should tax collection be consolidated with Scotland County.

The County Manager stated that there would not be significant savings realized if tax collection consolidation occurs. He added that the real benefit of consolidation would be ease of payment for customers by having one (1) bill rather than two (2).

Mrs. Mary Helen Norton, County Tax Administrator, explained that a number of counties in North Carolina collect taxes for municipalities. She added that about 35% of the cities in North Carolina collect their own taxes.

Mrs. Carpenter stated that currently the City tax collector has other duties such as business licensing, garnishments, collecting lot cutting fees, and enforcement of the internet sweepstakes licensing, and that these other duties have not been done since the previous tax collector resigned from the City.

A lengthy discussion ensued concerning staffing and responsibilities in the Finance Department.

Councilmember Spencer expressed concern about the efficiency and the need for the City to hire a tax collector. He added that in the future for the convenience factor, the City and County could look at physical spacing to provide one location for citizens to pay taxes.

Upon question by Councilmember Adams, Mrs. Norton explained that consolidation of tax collection would result in the addition of one (1) or two (2) lines on the County tax bill. She added that she did not foresee any cost increase to the County for the billing, and that she did not anticipate adding any additional employees.

Further discussion ensued concerning the possible monetary savings. The County Manager stated that there could possibly be additional savings, but they had not been identified. He added that because the City collects revenue such as lot cuttings and nuisance abatements, there would still be a need for an individual at the City to collect these types of revenue.

Mrs. Carpenter explained that savings could not be found in the monetary figures, but if Council's interest was in customer convenience, then tax collection consolidation would be the avenue to provide convenience for citizens.

The City Manager stated that approximately two (2) years ago the City and County looked into converting the Speller building into a one-stop revenue collection center for taxes and utility payments. He added that employees would not be functionally merged, but would work in a shared space. He further added that because of the cost of renovating the building, this discussion ended.

A discussion ensued concerning collection of business license fees.

A lengthy discussion ensued concerning fixed expenditures whether the City has a tax collector or not.

Upon questions by Mayor Parker, Mrs. Carpenter explained that the total tax billing units of the City was 7,184 in 2010, and approximately 10,000 utility payments per month, and the four (4) customer service representatives receive the revenue payments.

A discussion ensued concerning responsibilities other than tax collection of the tax collector.

Mayor Parker explained that approximately two-thirds (2/3rds) of the cities in the State have the county in which they are located collect their taxes.

The City Manager explained that the City needs to be staffed appropriately to handle job responsibilities.

A discussion ensued concerning payment of taxes by credit cards.

A discussion then ensued concerning the allocation of tax payments between the City and County.

Mrs. Carpenter explained that in order to resolve software issues, a decision regarding tax collection consolidation needs to be made in March.

A discussion ensued concerning delinquent taxes and garnishments. Mrs. Norton stated that it would be better to get the old delinquent taxes on the system, even if the County had to manually key them into the system.

A discussion then ensued concerning software and the need to have compatible software. Mrs. Carpenter explained that the City collects revenues in addition to taxes, while the County collects taxes, necessitating a need for different software. She added that a change in software for the City would result in changing the entire financial system.

Councilmember Williamson explained that he felt that if tax collection consolidation occurred, there would be little or no savings to either the City or County; however, there would be a convenience factor for citizens. He added that the City would still need to hire someone to collect other revenues.

Mayor Parker explained that for the remainder of his term as Mayor, he would not bring up tax collection consolidation.

County Commission Chairman Davis expressed concern that this issue has been discussed numerous times and has never been accomplished.

Councilmember Adams thanked everyone for providing the information for consideration.

The County Manager explained that if tax collection consolidation occurs, two (2) years ago, citizens will forget that the City ever collected taxes. He added that through this consolidation, it could possibly build for other consolidations.

Upon question by County Commission Chairman Davis, Mrs. Carpenter explained that the City cashes Social Security checks and therefore, consolidation could negatively affect a few people since the County does not cash Social Security checks.

The City Manager explained that some citizens think it looks good for the City and County to combine efforts.

ADJOURNMENT

Motion was made by Councilmember Williamson, seconded by Councilmember Adams, and unanimously carried to adjourn the meeting.

The meeting adjourned at 7:31 p.m.

Thomas W. Parker, III, Mayor

Jennifer A. Tippet, City Clerk