MINUTES OF BOARD OF COUNTY COMMISSIONERS

OF GUILFORD COUNTY

WORK SESSION

Greensboro, North Carolina
June 18, 2026

The Board of County Commissioners met in a duly noticed Work Session at 3:30 p.m. in the Carolyn Q. Coleman, Blue Room, Old County Courthouse, 301 W. Market Street, Greensboro, NC.

PRESENT: Vice Chairwoman J. Carlvena Foster, presiding; Chairman Melvin "Skip" Alston; Commissioners Kay Cashion, Brandon Gray-Hill, Carly Cooke, Mary Beth Murphy, Frankie T. Jones, Jr., Pat Tillman, and Alan Perdue.

ABSENT: None.

ALSO PRESENT: County Manager Victor Isler; County Attorney Carolyn Thompson; Clerk to Board Robin Keller; Chief Deputy Clerk to the Board Ariane James; Deputy Clerk to the Board T'ebony Rosa; Deputy County Manager/Budget Director Toy Beeninga; Assistant County Manager Natalie Craver; Rural Fire District Chiefs; members of staff, media, and the public. Virtual participation was made available to members of the public and media partners.

I. WELCOME AND CALL TO ORDER

Vice Chairwoman Foster welcomed those present and called the meeting to order at 3:30 p.m. She recognized County Manager Victor Isler.

II. NEW BUSINESS

Vice Chairwoman Foster recognized Deputy County Manager Toy Beeninga, who introduced the agenda item and acknowledged all the Rural Fire Chiefs in the audience. He recognized Senior Budget and Management Analyst Kellen LaBonte.

A. FY 2026-27 RURAL FIRE DISTRICTS UPDATE

Senior Analyst LaBonte spoke to the 23 adopted rural fire district tax rates. He noted that the County contracts with 17 Nonprofit Fire Departments and 4 Municipal Fire Departments to provide fire protection services in Guilford County. He shared that the County has increased the investment for fire protection over the last 6 years.

Senior Analyst LaBonte spoke to the property tax moratorium revenue impacts and recommended a budget-capped growth above revenue-neutral at 16%. He noted that Districts requested $42.9M for fire protection service based on FY26 appraisal values. He explained that SB889 has an impact on FY26 tax rates. He shared that Districts requested $7.4M above estimated revenues generated under a moratorium. He explained that if SB474 is passed, Districts would gain ~$0.3M.

Senior Analyst LaBonte described a FY26 adopted versus moratorium, and without equalization, all districts would either meet or slightly exceed adopted FY26 revenues. He noted that the Fire Districts are allowed to receive sales tax revenues and that the number changes as distribution changes. He explained that with equalization at $35.5M, approximately 8 Districts would receive less revenue funding. He shared that without equalization, all districts would either meet or slightly exceed adopted FY26 revenues.

Senior Analyst LaBonte shared that staff met with the Rural Fire District Chiefs throughout the year. He noted that all districts projected increased costs in their continuation budget submissions for FY27. He spoke to industry-wide inflationary increases to include: group insurance rates, retirement (LGERS), workers compensation, turnout gear, and general supplies.

Senior Analyst LaBonte highlighted options for consideration to include (1) Maintain FY2026 adopted tax rates, (2) Adjust tax rates to offset the impact of equalization and hold all districts to FY2026 adopted funding levels, and (3) Adjust tax rates to fund department expansion requests.

Senior Analyst LaBonte noted the departmental impacts on the following areas:

- Alamance FPSD – The general theme was impacts to capital replacement, delay or remove apparatus/equipment, and reduce personnel. He displayed a chart comparing FY26 budgets with recommended budgets and initial requests with estimates.

- Kimesville – He noted that Kimesville is classified as a Fire Protection District (FPD), not a Fire Service Protection District (FSPD). He noted that the FPD is capped at 15 cents as opposed to a FPSD with no cap.

- Stokesdale – He shared that Stokesdale is classified as a FPD, not a FSPD. He noted that the FPD is capped at 15 cents as opposed to a FPSD with no cap.

Commissioner Murphy requested for staff to provide a list of FPD under the cap amount.

Senior Analyst LaBonte confirmed a 15 cent cap, similar to Kimesville and Stokesdale.

DCM Beeninga confirmed a merger of FPD and FSPD.

Commissioner Perdue opined regarding not moving forward with impact coverage and years to obtain apparatus (such as a truck). He questioned an increase in production time and risk factors.

Senior Analyst LaBonte confirmed that coverage impacts will be presented by the Fire Chiefs.

DCM Beeninga highlighted additional positions and pay adjustments. He shared that the livability strategy focus is on areas of rural coverage. He explained that a decrease in volunteerism and the need for paid staff due to county growth is becoming an important conversation. He urged consideration on the Article 42 sales tax.

County Manager Victor Isler confirmed capital planning regarding Article 42 that must be factored into the budgeting process. He opined on working through material and supply delays, creating mutual support agreements, and revisiting this conversation in November to firm up capital plans for cost efficiency.

Commissioner Cooke questioned the Rural Fire Districts' budget structure and how they engage with local community priorities. She further questioned the dissemination method and information receipt on community needs.

DCM Beeninga confirmed deferring the strategic planning to the Rural Fire Chiefs as their budgets are approved by their Boards.

Town of Summerfield Fire Chief Chris Johnson explained the long-term funding plan to highlight what was responsible and necessary. He emphasized that fire departments must plan years in advance for apparatus, training, and staffing which requires stable and predictable funding. He shared that annual budgets exceed $4M for salaries, retirement, and insurance.

Summerfield Fire Chief Johnson noted that the budgetary decreases are due to the Property Tax Moratorium will increase our tax rate. He shared that the impacts include: eliminating 3 additional personnel, maintaining staffing levels, fulfill contract obligations, and replacing aging equipment. He emphasized that delayed progress makes things more expensive and adds to challenges outside our control.

Summerfield Fire Chief Johnson shared that when revenue-neutral increases state retirement contributions, it is a cost for local agencies to absorb. He noted that coverage studies identify service demands. He expressed concerns regarding a delay in tax bill delivery, which results in limited tax revenue and limited funding in August. He shared that this creates limited capital reserves and a possibility of penalties.

Summerfield Fire Chief Johnson emphasized that we must be good stewards of tax dollars. He shared that staffing challenges create a public safety issue (e.g., trained personnel, increased response times, and more property damage). He explained the impacts to the Northwest Quadrant Operational Plan to reduce duplication of service (9 personnel lost).

Summerfield Fire Chief Johnson requested for the Board to prioritize the Rural Fire District budgets to ensure resources are available. He shared that the Guilford County Fire Service started a pre-COVID funding committee that disbanded. He noted that the committee needs to be revamped with quadrant representatives who move forward with the sales tax legislation. He opined on a different funding need for the workforce – volunteer fire departments and combination department personnel cannot move to the career side. He shared that we need to move away from the 1950's ad valorem funding model.

Commissioner Jones sought clarification regarding the state-mandated increase with a goal of revenue neutrality.

Summerfield Fire Chief Johnson confirmed that the state increased retirement from 14 to 15.1 cents, which resulted in a personnel cost increase of ~$200K.

Commissioner Jones requested further clarification.

Summerfield Fire Chief Johnson spoke to Johnston and Buncombe Counties. He shared that Buncombe has a similar fire department footprint, as they have $600M of revenue in their county, whereby $67M is allocated to the fire department. He explained that with the property tax moratorium, Guilford County only gets ~$32M. He urged consideration of alternative funding approaches.

Commissioner Jones questioned the Article 46 sales tax benefits.

Summerfield Fire Chief Johnson confirmed a 2% decrease, or a ~$500K shortage. He shared that Article 46 is a great approach, but the percentages negatively impact fire departments.

Commissioner Tillman questioned the actual cost of state-mandated retirement plans.

Summerfield Fire Chief Johnson confirmed an increase from 14.1 cents to 15.1 this year, which increases the employees' contribution (e.g., $200K difference than last year).

Commissioner Tillman highlighted the 1973 NC General Assembly.

Summerfield Fire Chief Johnson provided an historical perspective to take into consideration. He shared that everything was directed to the fire department as county contractors. He explained that in 1973, there was a change from a Board of Directors to the County Commissioners regarding the tax rates. He gave an additional historical overview of approval protocols and a desire to return to 1973 standards.

Emergency Management Services Director Jim Albright clarified that the centralization of taxation authority under the County Commissioners, and not 17 independent Boards. He described the 1973 impacts since 2026. He explained that the Fire Commissioners used to bill for service delivery under Chapter 69; now they bill under Chapter 153A.

Commissioner Tillman sought clarification on the 60-day revenue loss projections.

Summerfield Fire Chief Johnson confirmed that the July check will come from fund balance from the previous year. He explained that on July 10th, bills are distributed, and they will not receive property tax proceeds until July 25th. He noted that moving the date to August 10th means no property tax, and another cut off on August 25th means only a few days of revenue.

Summerfield Fire Chief Johnson further explained how fire departments are moving line items to assist with operational expenses. He shared that there are ongoing conversations with state legislators. He noted that the property-tax moratorium is one-time rate, and they cannot hire personnel while facing the unknown. He expressed concern regarding the difficulty in planning long-term for trucks and equipment, as they plan 5 years out.

County Manager Isler noted that FY27 cash flows leverage contributions to the Rural Fire Districts.

Commissioner Perdue shared that it is important to note personnel decreases – what does 3 positions mean? He requested that staff clarify the impacts of county growth above 500K population and response dynamics.

EMS Director Albright explained that 24/7 shifts take 9 additional staff to create a buffer due to training, sick, FMLA, and vacation time. He shared that ideally, you should hire 12 to handle the 9. He noted that as we urbanize, populations shift to rural areas with a 5-mile fire district, as county fire departments travel longer distances and have certain communication expectations. He noted that we are a large-tier county, which places pressure on our fire response. He explained that low volunteerism and under-resourced agencies decrease the impact of community response.

Commissioner Perdue recalled a recent rescue situation.

Summerfield Fire Chief Johnson confirmed a National Fire Protection Association (NFPA) 1710 city-staffing model compared to an NFPA 1720 rural-staffing model. He explained that the rural standard response time is 14 minutes, whereby if someone were on the scene in need of CPR, that person would not survive. He emphasized the need to work on our own standard with a 5-year plan. He noted that any delays are detrimental as call volume is going up.

Commissioner Perdue opined on the policy standpoint of setting benchmarks and funding. He spoke to the highest acuity response call with the fire departments for necessary staffing levels and the budget it takes to do that. He noted that Guilford County consists of rural, urban, and suburban areas.

Summerfield Fire Chief Johnson suggested doing this analysis per quadrant as this is not a one-size-fits-all solution.

Commissioner Cooke requested clarification on: (1) no response delays and (2) 80% budget on personnel.

Summerfield Fire Chief Johnson confirmed that with the property tax moratorium, it will be 85%, and over the next 5 years, it will go from 70-85%.

Commissioner Cooke spoke to paying First Responders to provide public safety and to secure equipment. She shared that the tax rate decision is the closest to the taxpayer regarding protection and response. She stated that this is a direct correlation from tax to service. She questioned in what ways the property tax cap affects future Rural Fire Districts.

DCM Beeninga noted that there is nothing excluding them from the levy limits. He noted that this may create issues in the future. He shared that the Rural Fire Chiefs are currently speaking to state legislators.

Commissioner Cooke suggested that contracts for equipment and apparatus to be honored. She spoke to adequate staffing levels and to improving models for Guilford County. She requested that the Board and staff return to this full conversation to make the Rural Fire Districts whole.

Commissioner Cashion requested clarification regarding the impact to the Town of Summerfield. She questioned eliminating 3 personnel and whether there were any vacancies.

Summerfield Fire Chief Johnson explained the expansion budget and noted some cuts. He noted that we were planning for one to retire if the property tax moratorium goes into effect. He shared that there is uncertainty for this year and next year.

Commissioner Cashion questioned the tax collection delay and whether there was any fund balance for 60 days.

Summerfield Fire Chief Johnson described a situation of no fund balance, where they spent $360K per month. He explained that the fire departments are allocating money for capital reserves and CDs for trucks on order. He noted that it takes 10 years of planning for a fire truck.

Commissioner Cashion opined on the lack of the 3 positions in addition to the retirement. She questioned the resulting response times.

Summerfield Fire Chief Johnson confirmed an increase in response times and to a decrease in community service. He provided an example of having only 2 people on a truck. He explained that it really means only one person; the driver pumps the lever and one on the hose line. He confirmed that mutual aid from sister agencies takes longer.

Commissioner Murphy echoed Commissioner Cooke's comments regarding the correlation of tax rates to public safety with standards of service delivery. She spoke to the current political environment and legislative uncertainty. She stated that we should honor these requests, considering the significant limitations in the future. She requested additional stabilization due to the constitutional amendment and opportunities to reduce response times to 5 minutes, which will be a tremendous improvement.

B. LEGISLATIVE AND FY 2026-27 RECOMMENDED BUDGET UPDATES

DCM Beeninga introduced the agenda item and highlighted the afternoon's objectives to include: (1) Reviewing legislative updates and (2) Revisiting policy dials to establish a structurally balanced budget based on impacts from SB889. He spoke to the legislative updates and SB889 impacts to include: (1) A one-year pause on the current reappraisal, (2) Property owners would be taxed based on the assessed value from the prior year, (3) The new values would go into effect for January 1, 2027 (FY2028 budget), and (4) The bill has passed both the Senate and the House. He stated that we are currently waiting to see the Governor's action, as a veto requires 3/5 of votes in both the House and Senate to override. After June 20th, the bill becomes law if the Governor does not veto.

DCM Beenings noted the ride-along bill, SB474, to exclude other counties from a moratorium and hold counties harmless for public service equalization. He explained that the original bill excludes Chowan, Clay, and Pamlico. He noted that SB474 excludes Clay, Harnett, Scotland, and Buncombe Counties; adds Chowan and Pamlico back under the moratorium. He shared that a failure to hold harmless on equalization would result in a $4.3M loss to Guilford County and $0.3M for Rural Fire Districts.

Chairman Alston entered the work session at 4:40 p.m. Vice Chairwoman Foster relinquished the presiding chair.

DCM Beeninga noted that SB474 passed the NC House on June 17th and is currently unscheduled in the NC Senate.

DCM Beeninga continued the presentation by speaking to SB1074 Article 46 Sales Tax. He shared that the Senate Bill amends the ballot language for the Article 46 sales tax referendum. He noted that SB1074 passed the NC Senate and is not currently scheduled in the NC House. He noted a timing impact before the Board places a referendum on the ballot. He explained the percentage allocations to include: one-fourth of one percent (0.25%), (70%) classroom teacher salary supplements, (18%) fire protection equipment and services, (8%) Guilford Technical Community College, and (4%) qualifying municipalities for allowable expenses.

Commissioner Tillman questioned whether the percentages had changed.

DCM Beeninga confirmed that the original HB305 did not include percentages but a series of calculations of revenue flow with mathematical steps. He explained that projected amounts equated to a percentage. He shared that the Board agreed to the percentages based on the original intent of what GCS and GTCC received, and to make it clearer on the ballot.

County Manager Isler continued the presentation by highlighting previous Town Halls, the Public Hearing, and a review of values and base budget. He urged consideration of conversations started in January around Core Budget Principles: (1) **Structurally Balanced:** fund balance discontinuation, debt service (Honor School Capital); (2) **Strengthening County Operations:** merit and compensation maintenance, Enterprise Resource Program (ERP), Routine technology enhancements, CIP-deferred capital; (3) **Sustain Strategic Priorities**: Parks Master Plan, Women and Children Residential Recovery, Food Security, Abuse and Neglect Multidisciplianry Team (FJC/DSS), Supports for the unhoused and eviction mediation; (4) **Interlocal Collaboration (Predictability):** annual funding plan for GCS, GTCC and 5-year capital planning.

County Manager Isler noted budget planning and context to include (1) Responsible growth, (2) Public education, career, and training development matters, (3) Core services and safety net provision, (4) Fiscal stewardship, and (5) Transparency and public input.

DCM Beeninga continued the presentation by describing the moratorium budget. He explained that to balance a moratorium budget without an increase in the tax rate requires a reduction of $83.7M. He shared that the moratorium budget totals $851.8M. He shared the impacts: (1) Limited new funding for GCS, but includes support ($1.8M) for safety and security enhancements, (2) Revised funding strategy for the school capital debt service plan, (3) Minimal adjustments to prior year tax rates for Rural Fire Districts, to maintain FY2026 adopted revenue totals, and (4) Reduced debt service for GTCC.

DCM Beeninga explained the property tax impacts to include: (1) The moratorium budget assumes 2.2% growth in property tax revenues ($11.2M) and a 4% growth on motor vehicle values ($1.8M) for a total growth of $13M in property tax revenues, (2) However, due to public service equalization, the County is projected to lose $4.37M in property tax revenues, and (3) This leaves a base growth of $8.63M.

DCM Beeninga shared that the county estimates notices to be issued by August 15th, instead of the planned date of July 10th due to the moratorium. He shared that the delay may prevent residents from paying in time to receive the 1% discount, gross property tax collections would be approximately $3.8M higher than under the discounted-payment assumption. He shared that the early collection ends August 31st for early payers, and the Board cannot change that date. He advised that the Board must have passed a Resolution for a Public Hearing back in May, so we are stuck. He shared that the Tax Department is working to get notices out as quickly as possible. He stated that 65% of residents have escrow accounts and that the banks will process property tax statements.

DCM Beeninga spoke to a loss in federal and state funds for unfilled positions, changes to Food and Nutrition Services, and a reduction in fund balance use for recurring operations. He noted there are no significant changes to projections for sales tax, federal/state, user charges, and other revenues. He shared that the appropriated fund balance increases back to FY2026 adopted of $17.8M for county operations, with a total of $25.6M, which places pressure to manage expenses to hold down actual use of fund balance. He stated that this maintains the prior year allocation of Public Health Department positions on Medicaid Maximization fund balance.

DCM Beeninga noted that the unassigned fund balance has fallen below 8% of the subsequent year budget. He shared that lower use of fund balance helps with percentage targets. He explained the impacts on planned investments for county operations, K-12 education, and community colleges. He noted cost control measures, such as cutting more that $3.7M from the operating budget, and reducing the impact to core county functions in filling positions.

DCM Beeninga highlighted the budget framework: (1) Continue a performance-based merit program ($2.6M), (2) Continuing the compensation maintenance plan ($2M), (3) Remove capital expansion and delay additional deferred capital ($9.6M), (4) Reduce county operations from the recommended budget, (5) FY27 new general fund positions, and (6) Reallocate from county funds to ARPA investment earnings ($5.85M).

County Manager Isler spoke to position vacancies through the budget adoption. He explained indexing these positions under this process with notice to department heads. He shared that the Board decided for staff to review that the Probation and Parole would be a lease option that is time sensitive with the Department of Public Safety (DPS).

Chairman Alston questioned the Independence Building.

County Manager Isler confirmed that deferred capital can be used to fix what we have, defer Parks maintenance as there is no funding for expansion projects, and staffing at Independence will remain.

Chairman Alston questioned whether it is a short- or long-term lease.

County Manager Isler confirmed a long-term lease until we have a capital expansion plan.

Chairman Alston questioned the Washington Street address.

County Manager Isler spoke to the proximity to the bus line, which removes that location from consideration.

Chairman Alston clarified whether Washington Street was for the Probation and Parole or the Independence Building.

County Manager Isler confirmed that we can best allocate post-budget adoption.

Commissioner Cooke opined on moving Probation and Parole out of the Edgeworth Building and spoke to revisiting the conversation on building upfits.

County Manager Isler confirmed the deferred capital needs of the Edgeworth Building for disposal, surplus, and sale.

Commissioner Cooke emphasized that there is an asset in that building.

Commissioner Tillman questioned the High Point Detention Center's operating expenses.

County Manager Isler confirmed providing data to the Board. He advised that, based on jail population, a merger is not possible. He noted that we are at capacity in Greensboro due to state-level policy changes with mental health populations.

Commissioner Tillman shared a $90M expense, as the county has 2 seats.

County Manager Isler confirmed that consolidation is unlikely.

Commissioner Jones requested that staff research the accuracy of the $90M figure.

County Manager Isler confirmed a need to review the asset and determine actuals.

Commissioner Perdue referred to slide 21 (Moratorium Budget Framework – County) and questioned the Phase 1 "including" language due to EMT and GCSO getting administrative positions. He requested this to properly reflect last year's motion language of "including, and not limited to".

DCM Beeninga confirmed that the intent is for a department with dispatch (including Animal Control) to focus on positions within those departments. He shared that these are examples from the Northeast Park Retreat presentation.

Commissioner Perdue requested staff to update the language to reflect the original intent to read "including, and not limited to".

Commissioner Cashion requested clarification regarding the Detention Center's capacity.

DCM Beeninga confirmed that the capacity in Greensboro is 290, with 274 occupancy, while High Point has 17 available beds, with 10 beds designated for new intakes.

DCM Beeninga continued the presentation by identifying impacted staff positions with a focus primarily on mandated service delivery, regulatory compliance, operational support, and sustaining critical ARPA-funded programs. He spoke to pausing the GCS and GTCC 5-year plans.

DCM Beeninga concluded the presentation by introducing Board policy considerations: (1) Option A: $0.7305 current rate, reduce funding plans for K-12 education and community college; (2) Option B: $0.7705 (+4 cents), generates additional $30M, (3) Option C: $0.7905 (+6 cents), generates additional $45M, and (4) Option D: $0.8305 (+10 cents), generates additional $75M.

County Manager Isler advised of a future work session to discuss the sustainability of the Family Connect program expansion supporting live births. He requested Board direction barring any legislative action.

Chairman Alston concurred regarding scheduling a work session to pose questions.

Commissioner Murphy sought the Manager's recommendation on the 4 Options presented.

County Manager Isler recommended Option B as critical because of the debt service, bond program, and value of GCS safety and security.

Commissioner Jones requested that staff look at the median value as he is hearing different numbers regarding the median tax value. He emphasized having a consistent number.

Commissioner Cashion reiterated that increased home values and tax impacts next year.

County Manager Isler confirmed that the increase is not as large, but it will generate more funds.

Chairman Alston confirmed additional revenue is needed next year.

III. ADJOURN

There being no further business, the work session adjourned at 5:30 p.m. by unanimous consent.

Melvin “Skip” Alston
Chairman

Robin Keller
Clerk