

Weddington opts to keep tax rate

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WEDDINGTON

Weddington's town government could operate for more than two years on its tax reserves alone.

Two council members proposed to cut taxes by a half cent, but the majority, with Mayor Nancy Anderson breaking a tie, voted to keep the tax rate at 3 cents in order to save for future projects, especially a beautification of Providence Road, once the N.C. Department of Transportation finishes the widening project.

"We have known for a very long time Providence Road would be widened and we would want to potentially do some streetscaping," Anderson said.

The town has a 3-cent property tax and operates on less than \$900,000 annually. Over the years, the town has saved more than \$2.5 million, something Anderson called good budgeting. She called the town's save-first-spend-later approach good fiscal policy.

"You don't spend money that you don't have. You live within your means," she said.

Town resident Walker Davidson suggested the town give residents a tax holiday and operate the 2010-2011 budget year on its reserves alone. By the next budget, Weddington could still have more than \$1.5 million in its savings account.

If residents were not paying money in taxes, Davidson argued they

could give more to town organizations. He suggested the Wesley Chapel Weddington Athletic Association, fire stations or schools as possible areas residents could redirect their money.

A zero-tax year would save a homeowner with a house valued at \$400,000 about \$120 for the year, or \$10 a month.

Davidson, who lost a bid for county commissioner this year, pointed out that Hemby Bridge cut its taxes completely for the year.

Instead of cutting the tax rate to zero, Councilman Werner Thomisser suggested cutting the rate by a half cent. He frowned on the idea of draining the savings account, but thought it prudent to cut taxes a little.

“I thought we could do a little of both,” he said.

Cutting a half cent would save that same homeowner about \$20 for the entire year.

Councilmen Thomisser and Daniel Barry voted for the tax cut and Councilmen Robert Gilmartin and Jerry McKee voted to keep the tax rate even at 3 cents. Because of the tie, Mayor Anderson voted; she voted to keep the rate at 3 cents and continue to save money for future projects.

Anderson compared the savings account to a family who sends a child to college. She said that large expenditure for the town would be the Providence Road streetscaping, something that will happen before next summer.