

***Scotland County Board of Commissioners reconvened regular meeting June 24, 2019,  
Emergency Operations Center (EOC), 1403 West Boulevard, Laurinburg, NC***

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Operations Center (EOC), 1403 West Boulevard, Laurinburg, NC**

Commissioners in attendance: Chair Bob Davis, Vice-Chair Carol McCall, Commissioners John Alford, Betty Blue Gholston, Whit Gibson, and Tim Ivey. Commissioner McPhatter was absent. Staff in attendance: County Manager Kevin Patterson, and Deputy Clerk to the Board Jason Robinson.

**Call to Order, Invocation, and Approval of the Agenda**

Chairman Bob Davis called the reconvened meeting to order, and delivered the invocation.

**Motion was made by Commissioner Gibson to approve the agenda. Motion was duly seconded by Vice-Chair McCall. Vote to approve the agenda: Unanimous.**

**Consent Agenda**

On the consent agenda for the June 24<sup>th</sup> meeting was a resolution of support for the Lumber River Council of Governments. The resolution is incorporated into the minutes by reference as Attachment A. The consent agenda also includes a memo to finalize the sale of county owned property that has gone through the upset bid process. The property is located at 25221 Hillcreek Road. Finally, the consent agenda also contains a letter requesting the commissioner approve the transfer of property from Richmond Community College (RCC) to the County and then transfer from the County to the City of Laurinburg. **Motion was made by Commissioner Gibson to approve the consent agenda items. Motion was duly seconded by Commissioner Alford. Vote to approve the consent agenda: unanimous.**

**2019-2020 Fiscal Year Budget**

The Board next heard from County Manager Kevin Patterson concerning the 2019-2020 fiscal year budget. Mr. Patterson stated that the Board asked him to come back with two options for consideration. Mr. Patterson stated that he had developed two options for the budget. The first option would decrease the tax burden by \$431,986 which yields a budget of \$43,749,265 and option two would decrease the tax burden by \$647,979 which yields a budget of \$43,633,272. Mr. Patterson stated that the main difference in the two budget options is that the second option that decreases taxes by \$647,979 offers much less flexibility and assumes a 1% growth of the economy, less conservative revenue projections, while also using an additional \$100,000 from the fund balance. Mr. Patterson reviewed the highlights of both budgets which include a 2% cost of living adjustment for employees, 4 new positions to improve efficiency to be started at mid-year, capital projects to renovate the Covington Street office for relocation of the Register of Deeds, finish paving at the Government Complex, purchase of an ambulance, HVAC controls at the courthouse, and new financial software for the County. Both budgets also continue the practice of targeting hard to fill/recruit positions by targeting the 911 telecommunicators. Mr. Patterson stated that the growth in the business and industrial sector of the Scotland County economy has contributed greatly to the economy of the county. Because of that and efforts by the department heads the tax rate has continued to go down while continuing county services. Mr. Patterson highlighted accomplishments for the last four years including adding an ambulance, improving DSS timeliness, adding back in a maternity clinic at the health

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department, improving the tax collection rate and if you go back to the time when he first became county manager, the commissioners have added law enforcement officer, jailors, and improved county facilities. Mr. Patterson then dated that it was his recommendation to adopt the budget that reduces taxes by \$431,986 mainly because of the flexibility that it provides and it provides more conservative revenue projections. Chairman Davis inquired about the amount of fund balance that is used in the budgets. Mr. Patterson stated that in the \$43,749,265 budget that \$1.6 million in fund balance had been used while in the \$43,633,272 budget \$1.7 million in fund balance had been used. Chairman Davis inquired if the fund balance would be above the established goal. Mr. Patterson responded that it would be about 20% which is above the Board's goal. Vice-Chair McCall stated that the Board hasn't used fund balance in a number of years and Mr. Patterson stated that the Board had been saving fund balance for several years. Vice-Chair McCall also inquired about historic properties. Mr. Patterson stated that the current level of funding for historic properties is \$18,000 and that he will not change a reoccurring item in the budget until the Board directs him to do it. Vice-Chair McCall stated that she was going to advocate for increased funding. Vice-Chair McCall informed the Board that the annual audit for historic properties is about \$4300 and takes a lot of their budget. Upon hearing from Vice-Chair McCall, **motion was made by Commissioner Alford to increase the funding for historic properties from \$18,000 to \$25,000. Motion was duly seconded by Commissioner Ivey.** **Vote to increase funding: unanimous.** Commissioner Gibson inquired about revenue estimates and if in the past if they have been on target. Mr. Patterson stated that in the past the revenue targets have been on target or exceeded within ½%. Commissioner Gibson asked if within the larger tax reduction, the revenue projections were within the same parameters. Mr. Patterson stated that the largest difference was in the sales tax projection. In the \$43.7 million, there is a 1% growth in sales tax while the \$43.6 million budget assumes a 1.5% increase in sales tax. According to Mr. Patterson the revenue projections in both budgets doesn't give him any grief. Commissioner Ivey inquired if any of the current year budget is remaining what happens to it. Mr. Patterson stated that department heads spend between 96-98% of their budget and if anything is left it comes back into the general fund to go into fund balance. Commissioner Ivey also asked if Mr. Patterson was comfortable with the revenue projections and Mr. Patterson stated that the \$43.6 budget is as far as he feels comfortable stretching revenue. Chairman Davis stated that he had talked with Mr. Patterson concerning the budget. Chairman Davis further stated that no one wants to see the tax rate go below a dollar more than he does but he feels in his gut that the County needs to stay at the dollar rate. Commissioner Gholston stated that she wants everyone to know that the Board will continue to fight for a tax rate below a dollar next year but it is also the Board's responsibility to keep the County running. Commissioner Alford once again thanked the good crowd that is gathered. Commissioner Alford further stated that he has studied this budget and worries about lost revenue. **Motion was then made by Commissioner Alford to approve the budget ordinance with a \$1.00 tax rate. Motion was duly seconded by Vice-Chair McCall.** **Vote to approve the \$1.00 tax rate: unanimous.** The budget ordinance is incorporated into the minutes by reference as Attachment A.

**Approval of Sale of Edwin Morgan Center to Richmond Community College**

Mr. Patterson then reviewed with the Board the proposal to sell the Edwin Morgan Center to Richmond Community College (RCC) for \$600,000. This is from bond proceeds that RCC could not spend on renovations but could buy property. **Motion was made by Commissioner Gholston to approve the sale of the Edwin Morgan Center to Richmond**

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**Community College. Motion was duly seconded by Commissioner Alford. Vote to approve sale of property: Unanimous.**

**Water Discussion**

Mr. Patterson then informed the Board about a plan to transfer the water systems to the City of Laurinburg. According to Mr. Patterson, City Council has agreed to discussions at staff level for the County to give operational control over to the City and operate off their permit. Effectively it would make it the City's system. This has been a goal for quite some time. This will improve efficiencies and reduce testing.

**Approval of Sale of Foreclosed Property**

There has been a bid submitted on a tax foreclosed property by the former owner on Montrey Street in Gibson. A deposit has been paid and the bid will cover all past due taxes as well as any fees that the County has in the property. Mr. Patterson stated that he is asking for the Board to accept the bid and start the upset bid process. Upon hearing from Mr. Patterson, **Motion was made by Vice-Chair McCall to accept the bid of \$7071.40 and start the upset bid process. Motion was duly seconded by Commissioner Alford. Vote to approve bid: unanimous.**

**Boards and Committee Appointments**

Vice-Chair McCall stated that there were three appointments to two different boards. The first appointment is to the Tourism Development Authority (TDA). Ms. Jennifer McRae has submitted an application. **Motion was made by Vice-Chair McCall to appoint Ms. McRae to the TDA. Motion was duly seconded by Commissioner Gibson. Vote to appoint Ms. McRae: unanimous.** Vice-Chair McCall then stated that there were two positions on the Lumber River Workforce Development Board. Commissioner John Alford and Dr. Dale McInnis with RCC are currently on that Board and desire to be reappointed. **Motion was made by Vice-Chair McCall to reappoint Commissioner Alford and Dr. McInnis to the Lumber River Workforce Development board. Motion was duly seconded by Commissioner Gibson.** Vice-Chair McCall then reminded all the attendees about boards and committees.

**New School Easement**

County Attorney Ed Johnston asked the Board for a motion to allow him to proceed to obtain an easement for water and sewer service to the new elementary school. This process would be proceeding with the eminent domain procedure. Upon hearing from County Attorney Johnston, **motion was made by Commissioner Ivey to proceed with the easement acquisition. Motion was duly seconded by Commissioner Alford. Vote to proceed: unanimous.**

**Commissioner Comment**

Chairman Davis stated that he would like to thank the county manager and staff as well as the Board for the diligence they have all shown toward the budget. Commissioner Ivey stated that he felt it was important not to go down too fast on the tax rate because you can then have to go back up if it is not sustainable. Commissioner Gibson stated that he felt it was prudent to stay

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at the same tax rate. Vice-Chair McCall stated that the Emergency Operations Center is now the formal meeting place of the commissioners.

**Adjournment**

Having no further business, **Motion was made** by Commissioner Alford to adjourn and it was **duly seconded** by Commissioner Gholston. **Vote: Unanimous**

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J. Jason Robinson  
Deputy Clerk to the Board

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Bob Davis  
Chair

(County Seal)