

*Joint Session: Scotland County Board of Commissioners and Board of Education
July 9, 2009, 1405 West Boulevard, Laurinburg*

MINUTES

**Scotland County Board of Commissioners and Board of Education
Joint Meeting, July 9, 2009
Scotland County Complex, 1405 West Boulevard, Laurinburg NC**

At 7 p.m. Chairman J. D. Willis reconvened the meeting. Commissioners in attendance: Chairman Willis, Vice Chair Betty Blue Gholston and Commissioners John Alford, Bob Davis, Guy McCook, Joyce McDow and Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson, County Attorney Ed Johnston and Clerk to the Board Ann W. Kurtzman.

School Board Members in attendance: Chairman Jimmy Bennett and Dr. Cal Newton, Dr. Paul Rush, Dr. Jeff Byrd, Ms. Mary Evans, Mr. Terence Williams, Mr. Darwin Williams and Mr. Charles Brown. Board of Education staff in attendance: Superintendent Rick Stout, Attorney Nick Sojka and Clerk to the Board Donna McLellan.

Board Member Terence Williams delivered the opening prayer. The Pledge of Allegiance was recited.

Chairman Jimmy Bennett called the Board of Education meeting to order and then introduced new School Superintendent Rick Stout.

Chairman Bennett said the Board of Education requested the joint meeting to address some questions regarding a letter dated May 13, 2009 sent by former Superintendent Shirley Prince to County Manager Kevin Patterson. The letter states the School Board elected to forego a \$340,744 increase in local funding provided the Board of Commissioners fulfill several conditions.

Chairman Bennett asked if there was a misunderstanding in the action taken by the Board of Education to forego the funding in exchange for the County to reduce the tax rate, which was one of three conditions stated in the letter.

Chairman Willis said the FY 2009-2010 County budget had to absorb State funding shortfalls and despite the intention by the County Commissioners to reduce the tax rate to 99 or 98 cents, it could not be done. He said the Commissioners, in making that decision, took into account the uncertainty of what funding shortfalls would be forthcoming from the State in FY 2010-2011.

Chairman Willis said the County reduced its budget by \$3 million from \$31 million in FY 2008-2009 to \$28 million in FY 2009-2010.

Chairman Willis said it was not like the School Board wrote a check for \$340,000 and asked the Commissioners to reduce the tax rate. The Board of Education chose not to accept the \$340,000, which leaves the current tax rate unchanged, Chairman Willis said.

He added that the School Board did not cut its budget by \$340,000 and its local budget remains the same at \$10.5 million. Chairman Willis said the School Board made the same gesture last year by foregoing its local funding increase, and that kept the tax rate the same.

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Chairman Willis said if the School Board wants the \$340,000 the Board of Commissioners would have to take it out of Fund Balance or increase the tax rate by two cents.

Chairman Willis added it was not the intent of the Board of Commissioners to not communicate with the Board of Education but, in the past, the County Manager and Superintendent would communicate with each other. Chairman Willis said it was well-known and well-publicized as of June 2 that the Commissioners intended to hold the tax rate at \$1.02.

Commissioner Alford asked the Board of Education if it was asking the Board of Commissioners to increase the tax rate. Commissioner Alford said the County appreciates the School Board decision not to accept the \$340,000 but the County still had to use \$850,000 from its Fund Balance just to maintain the tax rate. He added that County employees received no cost of living increase and positions were frozen. Commissioner Alford said Scotland County is experiencing a depression, not a recession.

Board of Education Member Mary Evans said her concern is if the schools experience a shortfall for any reason, would the Board of Commissioners step in.

Chairman Willis said the Board of Commissioners by law is required to assist the schools financially in a crisis and the Commissioners recently affirmed that legal requirement with the approval of a resolution.

Chairman Willis discussed the County's Fund Balance, which the Local Government Commission (LGC) recommends be kept at 18 to 22 percent. Chairman Willis said some Fund Balance monies are earmarked for capital projects, school debt and landfill closure and expansion. He said this year the Fund Balance without earmarks is 12.1 percent.

School Board Member Terence Williams said the School District also faces cuts. Mr. Williams does not want to see the schools put in a position where there are not adequate funds to support the educational process.

Chairman Willis said surrounding counties similar to Scotland County are working with less local current expense yet supporting more students. Chairman Willis said Scotland County spends more to support fewer students.

Commissioner Alford said he supported the Board of Education when it asked the County to hold a school bond referendum. Commissioner Alford said the Board of Education at that time agreed to close several older schools if a new one could be built with school bond funds. Commissioner Alford said the County is still paying the bonds and it is time for the Board of Education to look into some school closures.

Commissioner McCook said it is unfortunate the two Boards did not communicate on the issue and there's fault on both sides for that. Commissioner McCook acknowledged that both Boards are trying to do what is in the best interest for the populations they serve.

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Commissioner McCook added the County honored two out of three conditions outlined in Dr. Prince's May 13 letter and the Commissioners made a valiant effort to reduce the tax rate, but it did not happen. Commissioner McCook asked the Board of Education to uphold its offer to forego the \$340,000 so that both Boards could move forward from here.

Commissioner Davis agreed and added that if the Schools could operate without the \$340,000 then the issue should be put to rest and both Boards should get on with the business of serving citizens and students.

Commissioner McDow pointed out that funds are limited and the State is in a budget crisis. She predicted that budget issues will get worse next year, and both Boards must brace for that and decide what is best for all citizens of Scotland County.

Chairman Willis suggested both Boards come together frequently in more informal settings in order to communicate as they once did in the past.

Commissioner Alford said that going forward, in order to satisfy School local expense funding, the tax rate would have to increase unless the tax base strengthens. Commissioner Alford said the Commissioners are not anti-education, but not much funding remains for County operations once the County funds the Schools.

Chairman Bennett said in the future the Board of Education would meet more frequently with the Commissioners and Superintendent Stout also would meet more frequently with County Manager Patterson.

The Board of Education continued its meeting in closed session in the Health Education room.

County Manager Patterson said DSS is down by two Child Support Agents. Mr. Patterson asked the Commissioners to authorize the hiring of at least one of the positions.

Commissioner Alford, who also is DSS Chairman, said the agency really needs the two positions filled since caseloads have increased as the economy worsens.

Motion was made by Commissioner Alford and duly seconded by Vice Chair Gholston to approve the hiring of two Child Support Agents. Vote: Motion unanimously approved.

Motion was made by Commissioner Alford and duly seconded by Commissioner Davis to recess to 6 p.m. Monday, July 13, 2009, in the Commissioners Chamber, 1405 West Boulevard. Vote: Motion unanimously approved.

Ann W. Kurtzman
Clerk to the Board

J.D. Willis
Chairman