

The Alleghany County Board of Commissioners met in special session on Monday, April 30, 2007, at 6:00pm in the Commissioners Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina. The purpose of this meeting is to discuss school facilities.

Present: Chair Ken Richardson, Vice-Chair Warren Taylor, Commissioner Randy Miller, Commissioner Doug Murphy, Commissioner Milly Richardson, County Manager Don Adams, and Clerk to the Board Karen Evans. County Attorney Donna Shumate was absent.

Chair Ken Richardson called the meeting to order.

Commissioner Milly Richardson made a motion to approve the agenda for this April 30, 2007, meeting. Commissioner Warren Taylor seconded the motion. Vote 5:0.

AGENDA
Monday, April 30, 2007
6:00 PM

- 6:00 Meeting Called To Order
Motion on Agenda for April 30, 2007, meeting
- 6:05 County Business
 - 1. Discussion regarding School FacilitiesAdjourn

County Manager Don Adams stated that he asked the Board to get together regarding the School's request on school facilities to provide direction to the Board of Education. He further stated that he has heard comments ranging from staying with a revenue-neutral tax rate to fund raising the monies for the project to putting the issue on a referendum. He asked if anyone wants more research on the middle school issue.

Chair Ken Richardson clarified that this meeting is not to discuss the schools 07/08 budget request, just the school facilities issue.

County Manager Don Adams agreed.

Commissioner Warren Taylor talked about the Commissioners agreeing to place the issue on a referendum prior and the Board of Education decided against it.

County Manager Don Adams stated that he believes the schools expect the issue to be on a referendum.

Commissioner Doug Murphy asked if they are looking for a time frame.

County Manager Don Adams stated yes, they are looking for a time frame. He explained the dilemma they face; ongoing increase in construction costs and ongoing space needs. He talked about their request this year has costs associated with the middle school concept as well as other immediate needs.

Commissioner Doug Murphy asked about pursuing ways to get additional monies.

County Manager Don Adams stated that he is not aware of anything new. He talked about how the transfer tax could play into this.

Commissioner Randy Miller stated that the Board has stated that the Commissioners support the middle school concept but the issue is the money. He talked about how can the County pay for five schools.

County Manager Don Adams stated that currently the State doesn't provide enough funding for the existing four schools.

Commissioner Milly Richardson explained her and Commissioner Murphy's meeting with the schools. She stated that they explained that the county can't fund the

project currently but would help find the money otherwise. She talked about funds available through the state being interest-free, paid back over 14 years. She further talked about Dr. Cox checking into the possibility of monies through that program. She talked about the commitment of an additional \$1,000,000 per year annual operating costs being enough of a hardship. She further talked about working together to do this.

Commissioner Milly Richardson, Commissioner Warren Taylor, Commissioner Doug Murphy talked about there are \$3,000,000 in immediate needs. Commissioner Doug Murphy talked about needs in the outlying schools that need to be addressed.

Commissioner Milly Richardson talked about her conversations with a former school board member regarding funding requests.

Commissioner Doug Murphy reiterated that there are needs and setting a timetable to address all of the needs.

Commissioner Randy Miller stated that they haven't talked about issues at the high school yet. He talked about taking the 6th grade out of the middle school concept and saving money.

Commissioner Doug Murphy stated that the Commissioners have to do the best with what they have.

Commissioner Warren Taylor asked Chair Ken Richardson to share legislative information that might help in this situation.

Chair Ken Richardson reiterated that regardless of who gets the money, the Commissioners have to approve it. He stated he would like to be able to tell the County Manager if there is a majority of the Commissioners or any Commissioners that support continuing with the middle school concept and be willing to vote on it when the request comes before the Board and is there support for improvements at Piney Creek Elementary School, Glade Creek Elementary School, Sparta Elementary School and the High School. He stated that he has heard one Commissioner say that it might be five years down the road before the County can talk about any of this. He talked about there isn't any free money out there. He further talked about there are 117 school systems needing the money. He informed the Board that he is going to Raleigh on Wednesday to meet with the legislators, and he met with them last week, as well. He talked about a summary provided by the Association showing data from the six counties that have the land transfer tax showing how their tax rate has come down and real estate sales have increased. He reminded everyone that if a state-wide transfer tax passes, the Commissioners would have to decide to exercise it. He explained that there are several different bills regarding the land transfer tax and numerous ways proposed to spend the money. He stated that this is the best year to get assistance from the State including the Medicaid relief.

County Manager Don Adams talked about how the Medicaid relief could help the County.

Chair Ken Richardson also talked about the Medicaid relief. He stated that the lottery isn't bringing in what was originally stated.

County Manager Don Adams stated that originally \$118,000 was budgeted, and the last time he checked on projections, it will be around \$92,000.

Chair Ken Richardson talked about how to proceed to provide answers for the Board of Education regarding the school facilities needs.

Commissioner Warren Taylor talked about the number of students at the outlying schools when you take out 6th-8th grades for a middle school and spending money to fix those schools' immediate needs when everyone is looking at a middle school five years down the road.

Commissioner Milly Richardson stated that she doesn't hear anyone stating that

we are going to do this next year.

Commissioner Doug Murphy mentioned that the Commissioners stated they are going to try to stay revenue neutral, and he thinks that the Board of Education is looking for a timetable as to when the Commissioners would be willing to do the things necessary to get the middle school, if that is the recommendation from the schools.

Chair Ken Richardson stated that if the County gets nothing new from the General Assembly, then he agrees with the Commissioners that it would be five years to get where is needed to be discussing the middle school. He further stated that on the other hand, if get the County gets some help from the General Assembly, then the Commissioners could be talking about it next year.

Commissioner Doug Murphy stated that the Commissioners have to talk about the outlying needs regardless of the middle school.

Commissioner Warren Taylor talked about safety needs that should be addressed regardless of what happens, like the Piney Creek Elementary School gym.

Commissioner Doug Murphy talked about the gym is used as a community gym.

Commissioner Warren Taylor talked about unless the Commissioners are willing to raise taxes to pay for the bond money then the County will have to wait.

Chair Ken Richardson reiterated that if no other revenues come in, the County is looking at five years down the road.

County Manager Don Adams explained that doesn't state the Commissioners are going to build a middle school in five years.

Commissioner Doug Murphy added that if we get some additional aid, he thinks that the School Board is looking for a shorter window and that is something that needs to be considered, too.

Chair Ken Richardson stated that the Board can open up that window this time next year if we get additional monies. He talked about immediate needs that he thinks are addressed in this year's budget request.

Commissioner Randy Miller stated that whether the County gets help or not, the County isn't going to get enough help to run five schools. He talked about having to make that decision, too.

Commissioner Doug Murphy talked about the responsibilities of the Commissioners and the Board of Education.

County Manager Don Adams talked about reading the newspaper about what has been occurred in the past two years regarding the conversations that has occurred at the Board of Education. He gave examples including ensuring there are enough students to keep the outlying schools open. He talked about the need to have a certain amount of kids to keep state funding for positions. He stated that it is the Commissioners' responsibility to decide on funding an additional school.

Commissioner Doug Murphy asked are the Commissioners all committed to a middle school at some point. He talked about maybe looking at it next year depending on what happens. He reiterated that this year is out but looking at it next year depends on what happens.

Commissioner Randy Miller and Commissioner Doug Murphy talked about having children in school.

County Manager Don Adams asked if he understands correctly that in this budget, the Commissioners will not be able to discuss middle school funding as far as building the building.

Commissioner Milly Richardson stated that is what she has heard.

Commissioner Doug Murphy stated that it is if the Board stays at a revenue-neutral rate.

County Manager Don Adams stated that the message he would send is that the Board of Commissioners are not in a position to fund the construction of a middle school plus the operating costs each year regardless of whether the Commissioners support a middle school or not. He talked about when it could be opened up as an option depends on if the State provides additional taxing authority to the Commissioners. He asked if these statements are accurate.

Chair Ken Richardson asked if anyone has problems with what the County Manager is saying.

The Board of Commissioners agreed to what the County Manager said.

County Manager Don Adams talked about when the Commissioners see what relief is available determines when the doors will be opened again. He further talked about the School Board needs to come to the Commissioners focused on the immediate needs including space needs instead of a middle school concept. He reiterated that what he is hearing is that if the Commissioners don't get additional revenues, the Board can't spend that amount of money for many years.

Commissioner Warren Taylor talked about the debt load decreasing in the next three to five years to a point to where the Commissioners can consider a bond referendum to build a middle school. He talked about inflation will hurt the County, but the project isn't affordable currently. He talked about what happens if the County borrows \$10,000,000.

County Manager Don Adams stated that the County would have to get special permission from the LGC.

Commissioner Milly Richardson stated that the Commissioners have all agreed that they don't want to borrow the money.

Chair Ken Richardson, Commissioner Milly Richardson and County Manager Don Adams talked about the County Manager's comments for the Board of Education, and if anyone doesn't agree to speak up.

Chair Ken Richardson reminded everyone the whole purpose of this meeting is to provide some direction as to what the majority or all of the Commissioners feel like regarding the middle school project. He asked if the statement just put out by the County Manager is what we are talking about regarding the project.

Commissioner Milly Richardson stated that she thinks it is very accurate.

Commissioner Warren Taylor stated that the sad part is that the very best education can't be provided for the students. He further stated that doesn't mean that the Board hasn't provided funding the best that the County can.

Commissioner Doug Murphy reiterated that every year that goes by the costs increase and every year that goes by the kids get another year behind. He talked about the situation puts the focus on both boards to be creative and do some brainstorming. He stated that he thinks this project can be done.

Commissioner Milly Richardson talked about speaking with Mitch Franklin about working with Vannoy Construction during his prior employment. She stated that he drew a plan that could save a couple million dollars, which is what we need.

Commissioner Doug Murphy stated that he is looking at the recurring costs.

Commissioner Warren Taylor and Commissioner Milly Richardson talked about sales tax monies staying in the county would help fund things like this.

Commissioner Doug Murphy talked about when this is presented to the Board of Education, to keep open any recommendation they may have and share it with the Commissioners, and the need to be in contact.

Being no further business, Commissioner Milly Richardson made a motion to adjourn at 6:45pm. Commissioner Doug Murphy seconded the motion. Vote 5:0.

Respectfully submitted,

Karen Evans
Clerk to the Board

Attest:

Ken Richardson
Chairman