

The Alleghany County Board of Commissioners reconvened the recessed budget meeting from Wednesday, May 31, 2006, on Thursday, June 1, 2006, at 5:00pm in the Conference Room of the County Office Building, 90 South Main Street, Sparta, NC.

Present: Chair Eldon Edwards, Vice-Chair Warren Taylor, Commissioner Sandy Carter Herndon, Commissioner Ken Richardson, County Manager Don Adams and Clerk to the Board Karen Evans. Commissioner Graylen Blevins and County Attorney Donna Shumate were absent.

Chair Eldon Edwards reconvened the recessed meeting at 5:00pm.

Dr. Jeff Cox, Superintendent, stated that the Board of Education met on Tuesday to discuss the resolution for the bond referendum. He further stated that the Board of Education has decided to ask that the referendum not be put on the November ballot in order to get revaluation done to see the impact and the tax increase with this year's budget. He talked about the timing of the referendum and setting it up for failure if they proceed now. He further talked about pushing it out a little farther but they haven't changed their mind about the middle school. He stated that the resolution was tabled until a later date. He further stated that they hoped this would take some of the pressure off during the current budget.

Chair Eldon Edwards and Dr. Cox discussed the elementary schools wouldn't be updated at this time.

Commissioner Ken Richardson stated his disappointment that the members of the Board of Education aren't at this meeting. He talked about the next general election is in 2008. He stated that it is difficult to understand postponing the referendum, and he disagrees with that action.

Dr. Cox stated that it was his understanding that this meeting was to present the budget and another meeting can be scheduled for both board to attend, if needed.

A video presentation was shown regarding the Board of Education's FY 2006-2007 budget requests including current expense and capital outlay requests.

Commissioner Ken Richardson asked how many of the issues in the referendum are being addressed in this budget request.

Dr. Cox stated that there are a number of items included in the budget request but the larger items are still in the referendum. He gave examples of the Glade Creek Elementary School gym floor and the Alleghany High School bleachers.

Commissioner Ken Richardson talked about the safety issues at Glade Creek Elementary School and the leakage problems. He stated that he can't believe that safety issues aren't the top priority.

Chair Eldon Edwards asked about prioritizing the capital outlay items.

Dr. Cox stated that they can once they know how much funding they will receive.

Karen Leys talked about when a project can't be funded, it is moved to next year's request.

County Manager Don Adams stated that the total available new funds are \$547,119 and the request is \$728,935. He talked about the ADM funds and how they could be used to reduce the

shortfall for capital outlay. He explained that if both boards agree, \$100,000 of ADM funds could be used leaving approximately \$40,000 in the ADM account. He further explained that action would leave an \$81,816 shortfall for capital expenses.

Dr. Cox stated that their request doesn't include anything for the Piney Creek Elementary School gym. He talked about the costs of the requested capital items including requesting half of the bleachers at Alleghany High School this year and the other half next year.

Commissioner Sandy Carter Herndon and Dr. Cox talked about these capital requests will complete the air-conditioning at all of the schools.

Commissioner Sandy Carter Herndon commended Dr. Cox on the budget presentation and stated her appreciation for the consideration of the Commissioners being in a tough budget year.

County Manager Don Adams explained the current expense request is \$473,202 more than the current year, and he is recommending \$158,422 leaving a shortfall of \$314,780. He further explained that the \$158,422 covers the uncontrollable costs. He stated that the costs associated with the \$314,780 are the three new teachers and teacher supplement with benefits. He asked if the teacher supplement is one of the most important priorities.

Dr. Cox stated that to him it is. He talked about the referendum for a middle school and the additional requested positions for the middle school.

Commissioner Warren Taylor and Dr. Cox talked about the \$200 across the Board supplement and attracting new teachers.

County Manager Don Adams talked about the new teacher positions being two for the middle school and an alternative teacher. He asked for an explanation on the alternative teacher.

Dr. Cox explained that is a teacher for the children where the normal classroom setting isn't working.

Commissioner Warren Taylor, Dr. Cox and Karen Leys talked about the costs of the supplement being \$35,000 plus the benefits.

Commissioner Sandy Carter Herndon and County Manager Don Adams talked about if full funding for both requests are granted, it would be a 4¢ tax increase.

Dr. Cox explained why the supplement is a priority with local dollars. He apologized for the confusion about this being a joint meeting.

Chair Eldon Edwards stated his appreciation for Dr. Cox attending this meeting.

Judd Starling invited the Board to come to the schools to see where the money is being spent.

Dr. Cox talked about summer school has been brought back at the High School and is starting soon.

The Board of Commissioners and school staff talked about the drop-out rate, age for drop outs, working with the children in the 6th, 7th, and 8th grades to reduce the drop out rates later,

most drop outs is attributed to attendance and the 5-year drop-out rate, the need to target the middle-school aged children and the benefits of a ROTC program at the High School.

County Manager Don Adams stated that the meeting notice today was sent out before the knowledge about the middle school referendum not being on the ballot. He talked about Bob Jessup with Sanford Holshouser Law Firm has been providing free advice regarding the referendums. He further talked about Mr. Jessup's offer of \$1,500 for the middle school and \$3,000 for the library for the legal work that is associated with the referendums. He explained why the middle school was cheaper because of actually selling the bonds if the referendum passed. He further explained that now the only agreement that he is asking for approval on is the \$3,000 for the library and permission to continue with the library referendum.

Chair Eldon Edwards talked about an amount wasn't available at the meeting when the Commissioners tentatively agreed to the library referendum.

County Manager Don Adams stated that \$2,000,000 is half of the needed amount. He talked about a letter from the architect regarding the costs.

Commissioner Warren Taylor asked why we are going with a referendum if bonds aren't going to be sold.

County Manager Don Adams explained that it is to let the people decide on the project. He further explained that Mr. Jessup needs to prepare documents for Monday's meeting if the Board wishes to proceed.

Commissioner Warren Taylor stated that he sees a couple of reasons to continue with the library referendum with one being the needs of the library will be brought to public light. He stated that for \$3,000 the Board would know the publics' comments. He further stated that he doesn't think it will hurt anything because the Board isn't committing to spend any money other than the \$3,000 to learn the publics' opinion on the issue.

Chair Eldon Edwards talked about the need for more information regarding the proposed referendum.

County Manager Don Adams and Chair Eldon Edwards talked about the total costs are \$4,000,000 with \$2,000,000 being on the referendum and the library raising the other \$2,000,000.

County Manager Don Adams reviewed the referendum process and deadlines. He talked about the Board has three choices on Monday; vote for it, vote against it or not vote at all. He explained the costs of the facility and public education is the library's responsibility.

Commissioner Sandy Carter Herndon talked about needing approval for the attorney to prepare documents for Monday's meeting.

County Manager Don Adams agreed and explained the \$3,000 costs.

Chair Eldon Edwards stated his concern if the referendum passes and the tax increase associated with the construction of a new library.

The Board talked about reasons to have the referendum now.

Commissioner Sandy Carter Herndon talked about the library needs additional space and asking the citizens to make the decision about financing it.

Commissioner Warren Taylor talked about needing to have the documents ready for Monday for the full board to consider it.

County Manager Don Adams reminded the Board that Mr. Jessup has already completed a lot of work for free.

Commissioner Ken Richardson made a motion to give the County Manager the authority to spend \$3,000 to hire the attorney to prepare the documents for Monday. Commissioner Warren Taylor seconded the motion.

County Manager Don Adams asked for clarification that the \$3,000 is for the entire project and if the referendum idea fails on Monday then the County will pay for the time spent.

The Board voted on the motion on the floor. Vote 4:0.

Commissioner Ken Richardson and County Manager Don Adams talked about a joint meeting with the Board of Education.

Chair Eldon Edwards recessed this meeting until Friday, June 2 at 9:00am.

Respectfully Submitted,

Karen Evans
Clerk to the Board

Attest:

Eldon Edwards
Chairman