

MINUTES

**Scotland County Board of Commissioners
2008 Budget Work Session, May 1, 2007**

Scotland County Administration, 507 West Covington Street, Laurinburg NC

At 3 p.m. Chairman J. D. Willis reconvened the meeting for a budget work session. Commissioners in attendance: Chairman Willis, Vice Chair Betty Blue Gholston and Commissioners John Alford (*arrived at 3:10 p.m.*), Leon Butler, Guy McCook, Joyce McDow and Clarence McPhatter. Staff in attendance: County Manager John A. Crumpton, Finance Officer/Assistant County Manager Kevin Patterson, County Attorney Edward Johnston and Clerk to the Board Ann W. Kurtzman. Chairman Willis delivered the opening prayer.

BRAC-RTF Presentation

BRAC-RTF Executive Director Paul Dordal discussed the economic impact on the region as a result of the base realignment. Mr. Dordal said even though Scotland County is in Tier 2 because the impact will not be as significant as elsewhere, there still are expectations that the realignment will positively affect the workforce and economic opportunities locally.

He said BRAC-RTF is eligible for federal and State grants, which would be useful in marketing the region. Mr. Dordal said BRAC-RTF is requesting \$10,000 from Tier 2 counties earmarked for regional economic development. Mr. Dordal said it is important that counties in the region indicate a continued commitment in the establishment of a defense cluster in the area.

The Commissioners and Mr. Dordal discussed the availability of job training and job fairs locally.

County Manager Crumpton said \$12,500 is budgeted for BRAC-RTF in the proposed FY 2007-2008 budget.

FirstCarolinaCare Healthy Community Program

FCC President Ken Lewis discussed a proposed program, which would gauge the health of Scotland County by conducting a variety of tests on 3,000 to 5,000 volunteers. Mr. Lewis said initial support of the program has already been extended by Scotland Memorial Hospital. Mr. Lewis said he is not asking for any monetary program support.

Motion was made by Commissioner McCook and duly seconded by Commissioner Butler to support the concept of the Healthy Community Program. Vote: Motion unanimously approved.

Laurinburg/Scotland County Area Chamber of Commerce

Chamber President Jim Frank Henderson explained a few items included in the proposed FY 2008 budget outside the Chamber's usual request. Mr. Henderson said there is \$12,500, which is a marketing request. The monies would be used to brand Scotland County and the City of Laurinburg. Mr. Henderson said there is a special account in which \$99,100 would be set aside for shell building payments.

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The proposed 44,000-square-foot structure construction would cost approximately \$865,000. The shell building would be located on part of a 72.16-acre site just below WePack.

County Manager Crumpton said that through a CDBG grant, the County would be able to pay the principle and interest over a five-year period. Mr. Crumpton said when the building is sold the principle could be used for future shell building projects. Mr. Crumpton said the City of Laurinburg will repay its share in the shell building via an interest-only loan. The County payments of \$99,100 would cover the principle, interest, maintenance, insurance and other expenses connected with the project.

Chairman Willis said a shell building tends to attract prospects to the area. He said the prospects would look at the shell building or might become interested in another site in the County.

Mr. Henderson said the County's building inventory, with the exception of two structures, is not good because the ceiling heights are too low by today's industrial standards. Chairman Willis added that it would cost too much to retrofit the existing buildings.

Mr. Henderson asked the Commissioners to consider placing \$45,000 in the 2008 budget, which would match a similar request the Chamber is making to the City Council. He said the \$90,000 would pay the salary, benefits and administrative expenses for an economic/community development director. Mr. Henderson explained that creation of the position was an Economic Summit recommendation.

Commissioner McCook said the position would focus on quality of life projects that would attract more people to the community, and it would free Jim Frank Henderson to focus solely on industrial development.

Commissioner McPhatter questioned whether the salary range was too high for a first-year position.

The Commissioners took a five-minute break and returned at 4:55 p.m.

Budget Work Session

County Manager Crumpton reviewed the budget message. He said the FY 2008 budget is presented with a tax rate of \$1.08, which follows the consensus of the Commissioners.

Mr. Crumpton said the ad valorem tax base has grown as a result of the existing industries making new investments on expansions. He said growth in the agricultural sector through discoveries of chicken operations also helped the tax base.

County Manager Crumpton asked the Commissioners to consider reviewing the fee structure in Inspections. He said revenue for that department is down because the number of large-revenue projects also is down. The County Manager said a fee increase would offset the cost of operating the Department.

The Board of Commissioners discussed a fee increase in Inspections and the affect it might have. Commissioner McCook said he believes people already do work without the permit, and a rate increase

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might drive more away. Vice Chair Gholston said there should be a reduced-rate fee for non-profits as opposed to no fee at all, which is the current practice.

County Manager Crumpton pointed out areas where there are significant budget increases: \$486,000 in school current operating expense; \$300,000 for cost of living increase; \$180,000 for health insurance; \$185,000 for Social Services programs and a net increase in expenditures for the Sheriff's Department.

The County Manager said the occupancy tax revenue has increased, which is a good indication that more people are staying in local hotels.

Mr. Crumpton said an area of concern is whether the C&D Landfill would be grandfathered into the pending Solid Waste rules. Mr. Crumpton said if the landfill is not grandfathered into the 2007 Solid Waste rules, the County would have to come up with \$1.2 million for closure and post closure costs as of June 30, 2008.

Chairman Willis suggested that funds could be set aside as designated Fund Balance until the County knows more about how the Solid Waste rules might affect the landfill.

County Manager Crumpton said the County also is looking at tipping fee increases in MSW, C&D and leaf and limb plus an out-of-County surcharge.

The Commissioners discussed the tax rate and whether it should be \$1.08 or less or remain at \$1.10.

(Commissioner Alford was excused at 5:45 p.m.)

County Manager Crumpton said the proposed budget maintains funding requests from outside agencies at the FY 2006 to 2007 level. He said the Library and Richmond Community College have been budgeted for a three percent increase.

Mr. Crumpton added that BART and the Storytelling Festival of Carolina were not included in the budget since it was understood that what they received in FY 06-07 was one-time funding.

The Commissioners by consensus agreed to meet one hour earlier Thursday, May 3.

Motion was made by Commissioner McDow and duly seconded by Vice Chair Gholston to recess until 2 p.m. Thursday, May 3, 507 West Covington Street. Vote: Motion unanimously approved.

Respectfully Submitted,

Ann W. Kurtzman
Clerk to the Board

J.D. Willis
Chairman