

*Scotland County Board of Commissioners reconvened meeting
May 31, 2006, Commissioners Chamber, 1405 West Boulevard, Laurinburg*

**Scotland County Board of Commissioners Reconvened Meeting
4 p.m. Wednesday, May 31, 2006
Commissioners Chamber, 1405 West Boulevard, Laurinburg**

At 4 p.m., Chairman J.D. Willis reconvened the meeting recessed from May 24, 2006. Commissioners in attendance: Chairman Willis, Vice Chair Betty Blue Gholston and Commissioners John Alford, Leon Butler, Charles “Scoofer” Jordan, 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.

Commissioner Jordan delivered the opening prayer. The Pledge of Allegiance was recited.

Discussion: Solid Waste Issue

Chairman Willis said the meeting would allow the Commissioners to weigh the pros and cons of a County-owned landfill versus a privately-owned landfill so the Board could determine the best direction for Scotland County.

Chairman Willis said the pros of a County-owned landfill would give the governing board more control and the County would no longer be dependent on waste companies. On the other hand, he said, there would be a greater business risk through competition and the ability to provide the capital to develop a landfill were among the negatives.

He said a privately-owned landfill would have a positive impact from host fees and the creation of new jobs, and the solid waste company would assume the business risk. Loss of control and environmental monitoring issues would be the negatives, he said.

Chairman Willis said the revenues would be greater with a privately-owned company compared to a County-owned landfill.

Chairman Willis said there is concern about expenditures versus revenues and the future of the tax rate. He said due to better than expected sales tax revenues, a higher rate on tax collections and some budget cutbacks, the County has maintained the tax rate at \$1.10.

He added that the tax base is not currently increasing, and any new industry locating to Scotland County would not help the tax rate initially because it would receive long-term incentives. Chairman Willis stressed the tax rate has no bearing on whether industry locates in Scotland County rather; it is the labor market and the utility rate that is most important.

Chairman Willis said the Commissioners cannot cut mandated programs from the budget nor can mandated programs be ignored. Doing so would cause the State to withhold sales tax revenues from the County.

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Chairman Willis said of the two mandates — Medicaid and the school local current expense — Medicaid would surpass the school local current expense between now and 2020.

Chairman Willis discussed tax rate projections for mandates only, taking into account modest sales tax revenues, no raises or new hirings and no capital improvements.

He said by 2015, the projected tax rate, based on current financial trends, would be \$1.55. Chairman Willis said he was surprised to learn that revenues from a privately-owned landfill would not decrease the tax rate as much as he thought rather; the revenues from the landfill would slow the pace of the tax rate increase to \$1.38 in 2015, based on the same current financial trends.

Chairman Willis said the County would also have to have a lot of industry coming into Scotland County and coming quickly in order to make a difference considering the County could not expect any Medicaid relief from the State.

Chairman Willis commended the schools for taking less than the total funding it was due for FY 2006-2007. He said the gesture helped maintain the tax rate at \$1.10.

General Discussion

The Commissioners discussed in general whether Scotland County could expect Medicaid relief in the near future.

County Manager Crumpton said the proposed State legislation regarding a moratorium on solid waste does not prohibit counties from pursuing a franchise. Mr. Crumpton said the proposed legislation might clarify some gray areas.

Commissioner Jordan said no one necessarily wants a landfill, but Scotland County must find a source of revenue or cut expenses, which would mean cutting services, which would not work either.

Chairman Willis said that without the revenue stream from a landfill, the County by the year 2015 would have to cut \$3 million from the budget, and expenses eventually would exceed all revenues.

Chairman Willis said whatever the Board decides; the next five years would be a hurdle unless there is Medicaid relief or a sudden influx in industry.

Commissioner Alford said that based on the information just presented about the tax rate projection for Scotland County through the year 2015 and having heard from both sides of the Advisory Committee, and both sides agree there is a need for a landfill, and based on the findings of Scotland County staff that it is not economically feasible for Scotland County to own its own landfill, he would make the following motion:

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Motion was made by Commissioner Alford and duly seconded by Commissioner Jordan that the County reopen negotiations and continue the process with a private landfill. Vote: In Favor: Chairman J.D. Willis and Commissioners John Alford, Leon Butler, Charles “Scoofer” Jordan and Joyce McDow. Vote: Against: Vice Chair Betty Blue Gholston and Commissioner Clarence McPhatter. Motion approved.

Motion was made by Commissioner Jordan and duly seconded by Commissioner Alford to go into Closed Session in accordance with N.C. General Statute §143-318.11(a)(5) to establish or instruct the staff or agent concerning the negotiation of the price and terms of a contract concerning the acquisition of real property. Vote: Motion unanimously approved.

OPEN SESSION RESUMED

Chairman Willis said dressing down would be permitted in June, July and August.

Motion was made by Commissioner Alford and duly seconded by Commissioner Butler to adjourn. Vote: Motion unanimously approved. Meeting adjourned at 6:20 p.m.

Respectfully Submitted,

Ann W. Kurtzman
Clerk to the Board

J.D. Willis
Chairman