

*Scotland County Board of Commissioners and Board of Education joint meeting  
May 9, 2016, A.B. Gibson Center, 322 South Main Street, Laurinburg, NC*

**Scotland County Board of Commissioners and Board of Education joint session  
May 9, 2016, A.B. Gibson Center, 322 South Main Street, Laurinburg, NC**

Commissioners in attendance: Chair Carol McCall, Vice Chair Whit Gibson and Commissioners Bob Davis and Guy McCook. Commissioners not in attendance: Commissioners John Alford, Betty Blue Gholston and Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson, Finance Officer Beth Hobbs and Clerk to the Board Ann Kurtzman.

School Board members in attendance: Chair Jeff Byrd and School Board members Raymond Hyatt, Jamie Sutherland and Charles Brown. School Board members not in attendance: Vice Chair Darrel Gibson and Pat Gates, Wayne Cromartie and Summer Stanley. Staff in attendance: Superintendent Ron Hargrave, Chief Finance Officer Jay Toland, School Board Attorney Nick Sojka and Administrative Assistant to the Superintendent Nancy Baker.

At 12 p.m. Chair McCall reconvened the meeting. The Board of Education meeting was called to order. Chair McCall offered a word of prayer.

**Motion was made by Vice Chair Gibson and duly seconded by Commissioner McCook to approve the May 9, 2016, agenda as presented. Vote: Motion unanimously approved.**

**Financials: School expansion and new construction**

Mr. Toland reviewed the ADM in the past six years and projections for the next four, which show a reduction. Mr. Toland reviewed the savings projected for all buildings, which would total a little more than \$2.8 million. He explained how the schools arrived at that projection.

Mr. Toland said as the square footage decreases so would the custodial staff. The savings would be local dollars. Transportation also saves by reducing the number of buildings. There is similar savings for utilities. Mr. Toland said in calculating the savings he also accounted for the positive square footage from the expansions and new school construction. He said contracted services such as mowing, HVAC and other maintenance contracts would be reduced due to fewer buildings. All cost savings would be recurring.

Commissioner McCook asked for a breakout of costs for Covington Street since it would remain open for SEARCH. Mr. Toland said he would provide the information.

The Commissioners discussed the possibility for a margin of error. Mr. Toland said conservative averages were used, and his concern would be what the State might do. Otherwise, the schools feel confident about the numbers.

Mr. Toland explained the method of allocating the funds in order to preserve low wealth funding. Acceptable class size would not change. Bus routes would be shorter and real jobs would not be lost, except through attrition.

Commissioner McCook asked for a Memorandum of Understanding that would address where the County and the School Board stand on the issue so there is no disagreement about what was

*Scotland County Board of Commissioners and Board of Education joint meeting  
May 9, 2016, A.B. Gibson Center, 322 South Main Street, Laurinburg, NC*

supposed to happen. The MoU would hold both entities accountable while future boards would know what the agreement is.

Vice Chair Gibson requested figures on the actual cost of financing \$41 million. He asked for information on how much of the savings would offset the cost of financing. Vice Chair Gibson said restricted revenues could be directed toward the project in order to free some of the savings for the County and taxpayers.

Chair McCall said there is a four year gap before the debt service is satisfied in 2020. She asked how the project would be funded in the interim.

Mr. Sojka suggested an outside financial analysis could be conducted. The agency with taxing authority would have to contract and pay for the service. Chairman Byrd said initially the savings would be used to pay the debt, but that option would only be available in a private-public partnership. Commissioner McCook said Commissioners must be made aware of ongoing costs affiliated with the project so they can project long-term what might be the issues.

Chair McCall asked when location and the purchase of land for a new school would be part of the conversation. Superintendent Hargrave said that discussion would be premature until the schools know the project will move forward. If it does, it would include a committee of DPI representatives and the Commissioners. Dr. Hargrave said tax credits are available depending on where the school is built if it is to be a private-public partnership.

Dr. Hargrave said it would be important to release a series of joint statements affirming that both boards are not at odds and both boards are working together on the project. Vice Chair Gibson suggested the County Manager and Superintendent work on joint statements.

The Board of Education recessed. The Board of Commissioners continued with its agenda.

**Request to approve JCPC budget for FY2016/2017**

Mr. Patterson said the \$152,332 requested by the Juvenile Crime Prevention Council for FY 2016-2017 are pass-through revenues and expenditures that require approval by the County Commissioners before the JCPC budget could be submitted to the State.

**Motion was made by Vice Chair Gibson and duly seconded by Commissioner McCook to approve \$152,332 for Juvenile Crime Prevention Council for FY 2016-2017. Vote: Motion unanimously approved.**

**Discussion: SCEDC's interest in St. Andrews property**

Mr. Patterson discussed the following land transaction proposal. Last year the County purchased a 30 percent undivided interest in 90 acres of land owned by St. Andrews at Laurinburg-Maxton Airport for \$300,000. An option became effective January 1 where the County could transfer the \$300,000 and use that as an option to purchase approximately 58 acres from St. Andrews at

*Scotland County Board of Commissioners and Board of Education joint meeting  
May 9, 2016, A.B. Gibson Center, 322 South Main Street, Laurinburg, NC*

appraised value. The acreage is inside the fence at LMA and is used as a drop zone. LMA had the 58 acres informally appraised at \$517,000.

The SCEDC received an offer from LMA to purchase the 58 acres for \$517,000. Part of the offer is to exchange 10.6 acres next to the shell building appraised at \$155,000. LMA offered that plus the remainder in cash in three equal payments. LMA will have to make a cash purchase of the 58 acres. The 10.6 acres will have to be a cash purchase, which would involve a check swap, as per FAA requirements. It will take several months before LMA receives pre-clearance from FAA to release the 10.6 acres.

The option currently is held by the SCEDC, which has \$100,000 in the bank. It would be necessary for the County to fund \$217,000 to execute the option on the St. Andrews property. Mr. Patterson said the \$217,000 is minus the \$300,000 the County already paid. Mr. Patterson recommended the balance remain with SCEDC for use at the Cascades facility to create a site that could be marketed.

**Motion was made by Commissioner McCook and duly seconded by Commissioner Davis to exercise the option on the 58 acres to transfer to the Airport Commission and swap the 10.6 acres next to the spec building and conduct the process through the SCEDC with County funds of \$217,000. Vote: Motion unanimously approved.**

**Motion was made by Commissioner Davis and duly seconded by Vice Chair Gibson to recess to 9 a.m. Tuesday, May 24, at the Emergency Operations Center. Vote: Motion unanimously approved.**

Ann W. Kurtzman  
Clerk to the Board

Carol McCall  
Chair