

**Scotland County Board of Commissioners meeting as the Water Districts Board
6:30 p.m. Monday, June 3, 2013
A.B. Gibson Center, 322 South Main Street, Laurinburg, NC**

Water Districts Board Members present: Chairman Guy McCook, Vice Chair Carol McCall and Commissioners John Cooley, Bob Davis, Whit Gibson and Clarence McPhatter (*arrived at 6:45 p.m.*). Commissioners not present: Commissioner John Alford. Staff present: County Manager Kevin Patterson, Finance Officer Charles Nichols, Attorney Ed Johnston and Clerk to the Board Ann Kurtzman.

At 6:30 p.m. Chairman McCook called the meeting of the Water Districts Board to order. He asked if anyone from the public wished to speak regarding the Water Districts. No one spoke.

Finance Officer Charles Nichols provided year to date figures on both Water Districts and fiscal year projections, which would result in a net increase in both Districts. Mr. Nichols said depreciation and bad debt is not factored into the net increase but, once factored in, the cash position would not be in the positive for Water District II and would be break even for Water District I.

County Manager Patterson discussed the Water District budgets for the next fiscal year.

Commissioner Cooley suggested using a contingency or depreciation line item in the Water Districts for transparency purposes. He also suggested that the Water Districts might be combined in order to streamline management of the Water Districts.

County Manager Patterson explained the USDA bond structure, both of which were established at different times, which complicates the ability to consolidate the Water Districts into a single entity until a three percent net savings is assured.

Commissioner Cooley suggested that refinancing and consolidation of the Districts should be done as soon as the feasibility arises. Chairman McCook suggested that anything over depreciation should be listed as a contingency and that profit be recorded differently.

Motion was made by Commissioner Cooley and duly seconded by Commissioner Gibson to adjourn. Vote: Motion unanimously approved. Meeting adjourned at 7 p.m.

Ann W. Kurtzman
Clerk to the Board

Guy McCook
Chairman