

Joint Meeting:
YADKIN COUNTY BOARD OF COMMISSIONERS
YADKIN COUNTY BOARD OF EDUCATION
Monday, January 31, 2011

The Yadkin County Board of Commissioners met in Joint Session with the Yadkin County Board of Education on Monday, January 31, 2011 at 6:30pm at the Planning and Development/Central Permits Conference Room, 213 Elm Street, Yadkinville, North Carolina. The Yadkin County Board of Commissioners was the host for today's meeting.

Present for the meeting:

Representing the Board of Commissioners

Chairman Kevin Austin
Vice Chairman Frank Zachary
Commissioner Gilbert Hemric
Commissioner David Moxley
Commissioner Marion Welborn

Representing the Board of Education

Chairman Frank Brown
Vice Chairman Howard McKnight
Rex Baity
Hazel Brown
Joe Dezern
Diane Hampton

Yadkin County Personnel

Aaron Church, County Manager
Lisa Hughes, Assistant County Manager/
Finance Officer
Tanya Gentry, Deputy Clerk to the Board

Yadkin County School Personnel

Dr. Jim Benfield, Superintendent
Gale Hill, Finance Director
Tammy Miller, Secretary to Superintendent
Donald Hawks, Director of Maintenance
Dr. Mark Rumley, Executive Director Staff
& Community Relations
Kathy Hughes, Career & Technical
Education Director

Dinner was served.

CALL TO ORDER

Chairman Austin called to order the Yadkin County Board of Commissioners at 6:55pm.
Chairman Frank Brown called to order the Board of Education at 6:55pm.

INVOCATION

ADJUSTMENT/ADOPTION OF AGENDA

Commissioner Hemric made a motion to accept the agenda. Commissioner Moxley second.
Vote: 5/0

Hazel Brown made a motion to accept the agenda. Howard McKnight second.
Vote: 6/0

DISCUSSION/BOARD ACTION

- 1) **Budget Process.** County Manager, Aaron Church, met with Superintendent, Dr. Jim Benfield and Finance Director, Gale Hill two or three weeks ago, discussed the budget process, and agreed

to the February 14, 2011 deadline for the Budget Request. The statutory deadline for the complete copy of the Board of Education's Recommended Budget for the upcoming fiscal year is May 15, 2011. County Manager Church stated that a letter had been sent out to the schools and the non-profits asking for both a Flat Budget and a Budget with a 10% Cut. The Teacher's Supplemental Salary was discussed in the meeting with Superintendent Benfield and Finance Director Hill. Finance Director Hill stated that Yadkin County Schools had placed \$1.4 million dollars of property tax money in the supplemental salary fund. Statutorily, property tax is not required to fund Teacher's Supplemental Salary so that \$1.4 million dollars could be cut without laying anyone off.

Superintendent Benfield stated that they had prepared a Flat Budget Request and had a rough draft of a Budget with a 10% decrease. He stated the Board of Education had not necessarily recommended that the Teacher's Supplemental Salary be cut in particular. They will be discussing changes at their meeting on the February 7th.

The Board of Education and school personnel were concerned about cuts because of the Low Wealth Laws. The State supplements low wealth counties and the Yadkin County School System does not want to lose eligibility for those funds. Superintendent Benfield stated that if their budget (local appropriations) were cut by 4.3% the low wealth laws would be triggered and they would lose \$2.1 million dollars. County Manager Church suggested that our State Representative, Darrell McCormick, be contacted to work with Superintendent Benfield and the School Board to reach a resolution about the Low Wealth Eligibility issue. Finance Director Hill informed the group that Low Wealth Funding is based on a formula the State uses that is based on the amount of tax revenues that a County generates and puts into the School System. A 10% budget cut could cause them to lose approximately \$700,000.00 in County money and all of the \$2.1 million dollars in Low Wealth Funding.

- 2) **Study Consolidation of Services.** A study could be done to see if the consolidating of services would save the County and the School System money. Inter-Local Agreements could be entered into when needed. Superintendent Benfield agreed with County Manager Church that it was worth studying to see what services could be combined to save costs and, whether or not services are combined, the County and the School System could share information. Some areas that could possibly be consolidated are:
 - a. Copier Maintenance Agreements. The copier maintenance agreements should be looked at to see if they could be consolidated to lower the costs.
 - b. Vehicle Maintenance & Services. The Yadkin County vehicles might be able to use the School Systems County Transportation maintenance personnel. A possible issue is that the maintenance staff is State personnel and when they work on the County's fleet their time is charged back to the Board of Education. The State pays for parts pertaining to the buses but any work performed on the local fleet of vehicles are picked up in a line item budget. The State contract does allow for things to be purchased; the School System orders things like heating oil, diesel fuel and gasoline from the contract because it saves them money.
 - c. Custodial Services, Ground Upkeep and Maintenance. The School's cost is approximately \$1.3 million dollars and the County's cost is approximately \$300,000.00.

Director of Maintenance, Donald Hawks, stated that 12 of their Schools have qualified for Energy Star Rating. They have an Energy Manager on staff they are working with. The Energy Manager does an energy walk through audit and also looks at things like water usage, safety, and integrated pest management. In the 4 years they have had the Energy Program; it has saved them approximately \$740,000.00.

Currently, the County is short one or two maintenance personnel, so possibly the County could contract with the School through an inter-local agreement to use their maintenance staff to help fill in when needed. It would help the County and the School would receive payment like a contractor would.

Vice Chairman Zachary made a motion to authorize the County and School Administration to work together to analyze potential savings by consolidation of services and to provide a report to both Boards at the next Joint Meeting. Commissioner Welborn second.

Vote: 5/0

The same motion was made by Rex Baity of the Board of Education. Howard McKnight second.

Vote: 6/0

BOARD OF COMMISSIONER ACTION

Commissioner Hemric made a motion to appropriate \$65,750.00 to the General Funds Non-departmental Division for the purchase of the YVEDDI buildings. Commissioner Moxley second.

Vote: 5/0

COMMISSIONER / BOARD COMMENTS

Board of Commissioner Comments:

Vice Chairman Zachary stated that he attended a budget workshop and the Director of the Regional Library was at that meeting. The Library System was facing the same predicament as the School System is now; if the Library's local budget was cut too much, it would lose a certain amount of State funding, and that every agency is going to have that problem.

Commissioner Welborn had no comments.

Commissioner Moxley said the State didn't foresee this economic downturn. He stated that it was mentioned last year that the rules may be changed on Library funding so maybe the State will change their rules. Right now there is a strong possibility that several things will be affected if budgets are cut. Hopefully, we can get through that. It is going to be difficult for the State to make up 3.7 billion dollars.

Commissioner Hemric had no comments.

Chairman Austin stated that the State did change the rules for Library funding last year and they were able to maintain the same level of support so the Library System was not affected. He hopes the State will take a similar view with Low Wealth Funding in the School System. The Commissioners need to be aware of, and understand, what the budget cuts could mean. He mentioned that the State is asking for a 15% cut from the University System and he is glad that Wayne Matthews has reported that Surry Community College is prepared for that. Maybe this is a situation where you prepare for the worst and hope for the best. Unfortunately, we do have to go through this exercise and be prepared for the worst. He said we need to try and make our voices heard instead of sitting back silently. He appreciated the opportunity to meet tonight. He stated that we are all in this together and are committed to facing it.

Board of Education Comments:

Diane Hampton stated that smart decisions need to be made on the cuts. That it needs to be looked at as a whole picture, not as the County versus the Board of Education, but as the County as a whole that includes the children. She advised to look at all of the avenues where money can come from, like in forfeitures, lotteries, non-drug related seizures, sales tax, etc and find money where they can.

Hazel Brown stated that it was true, and not just a rumor, that Universities were asked for a 15% budget cut. She said they had prepared a 5%, 10%, and a 15% budget cut. College tuition is going up because of

the budget cuts that colleges have. When the State cuts funding, the money has to come from somewhere or the doors will have to be shut.

Joe Dezern had no comment.

Rex Baity stated that the Board had faced some hard times back in the early 1980's. He said that we stood high and worked through it. We are going to be fighting another battle this year and next year. We need to remain high and work our way through it and move forward.

Vice Chairman Howard McKnight had no comment.

Chairman Frank Brown stated he wanted to thank the Commissioners and said that a lot had been accomplished through these meetings; just look at the facilities, grounds, and opportunities. We have had hard times but if we keep working like this we can find a solution that doesn't do a whole lot of harm to us. He said that they appreciate the efforts of the Commissioners.

ADJOURNMENT

Commissioner Welborn made a motion to adjourn. Commissioner Moxley second.

Vote: 5/0

Tanya Gentry

Prepared by Tanya Gentry
Deputy Clerk to the Board



Kevin Austin, Chairman
Yadkin County Board of
Commissioners

2/21/2011

Date approved by the
Yadkin County Board of Commissioners