

**CLEVELAND COUNTY BOARD OF COMMISSIONERS**

**May 7, 2004**

The Cleveland County Board of Commissioners reconvened their recessed meeting of May 6, 2004 on this date, at the hour of 9:00 a.m., in the Commission Chamber of the Cleveland County Administrative Offices for the purpose of conducting budget hearings.

**PRESENT:** Ronald J. Hawkins, Vice-Chair  
Tom Bridges, Commissioner  
Willie B. McIntosh, Commissioner  
Jerry L. Self, Commissioner  
R. L. Alexander, County Manager  
David Dear, Assistant County Manager/Finance Director  
Bob Yelton, County Attorney  
Wanda Crotts, CMC, County Clerk  
Joy Scott, The Star

**ABSENT:** Mary S. Accor, Chairwoman

**CALL TO ORDER**

Vice-Chairman Ronnie Hawkins called the meeting to order.

**CLEVELAND COUNTY SCHOOLS**

Dr. Gene Moore, Superintendent of Cleveland County Schools, told Commissioners that the newly merged system is now the largest employer in Cleveland County, having 2,400 employees. He said a major priority is "leveling up" of salaries.

Dr. Moore reviewed the following:

Assumptions built into the budget:

- \* 3% salary increase
- \* 2.35% projected retirement rate increase
- \* 10% projected health insurance increase
- \* Inflationary adjustments for utilities and other insurance costs
- \* Equalizing teacher supplements

Additional cost to maintain continuation budgets:

Salary Increase	\$404,000
Benefits Increase	235,000
Equalize teacher supplements	360,000
Inflationary adjustments of other insurances, etc.	138,000
	\$1,137,000

Additional Cost to "level-up" resources: Allocations to schools are categorized into broad general categories as follows:

- \* Instructional supplies
- \* Remediation
- \* Cultural Arts
- \* Extra curricular
- \* Staff development

Additional cost to "level-up" resources:

**Elementary Schools**

* Instructional supplies	\$182,000
* Remediation	75,000
* Cultural Arts & Extra Curricular	0
* Staff development	13,500
Total cost for elementary	\$270,500

**Middle Schools:**

* Instructional supplies	\$ 69,000
* Remediation	10,000
* Cultural arts and extra curricular	16,000
* Staff development	18,000
Total cost for middle	113,000

High Schools:

* Instructional supplies	\$ 105,000
* Remediation	117,000
* Cultural arts and extra curricular	68,000
* Staff development	78,000
Total cost for high school	368,000

Elementary Schools	\$270,500
Middle Schools	113,000
High Schools	368,000
Total cost to "Level up"	\$751,500

Capital Needs

Roofing repairs	\$497,001
HVAC projects	450,000
Repairs and renovations	20,078,054
Paving	185,000
Painting	115,000
Floor replacement	\$193,182
Furniture	56,000
Electronic/Security	373,935
Grounds Upkeep	137,200
Vehicles	420,000
School grants	259,742
Modular Units	11,344
Total	4,776,458

Dr. Moore advised student assignments will require redrawing the district lines, which will hopefully be completed February of 2005, stating that "when school opens next year we will be under one set of guidelines and policy." He discussed other topics regarding recruitment and retention of teachers, adjustments in state level funding; the "misconception" that merger would cost less. He said there will be some savings realized in years to come with different aspects, but "if we're going to build the system that we want, it's not going to be cheap." State unfunded mandates were also discussed.

Dr. Ted Knapke stated he is impressed with what North Carolina is doing in regard to "accountability" but feels the private sector does "notably more in staff development." He recommends the creation of a "coalition of community officials" to address avoiding putting kids with disruptive behavior on the streets. He stated, "Cleveland County does not need an "urban setting or industry will look elsewhere."

Dr. Moore reported the money that came to the system after merger was used to start the equalization process for each system, especially on projects that were "merger neutral" and added that a "good bit of work has been done." He also discussed cuts in State funding over the past two-years and how that has affected the schools budget.

Dr. Larry Allen reviewed information regarding capital needs, transportation and modular units.

**ADM PUBLIC SCHOOL CAPITAL FUNDING**

**ACTION:** Jerry Self made the motion, seconded by Tom Bridges, and unanimously adopted by the **Board to write the Governor regarding his proposal to divert county ADM Public School Capital funding to State government** (copy of letter found on Page \_\_\_\_\_ of Minute Book 28). The motion included sending a copy of the letter to the members of the local legislative delegation and the North Carolina Association of County Commissioners.

**GENERAL BUDGET DISCUSSION**

There was discussion regarding different aspects of the budget. Mr. Alexander noted "we are dealing with a number of dynamics" including the percentage of collections and how the appeals still outstanding will affect overall totals.

There was discussion regarding other aspects of the budget, such as Commissioner Self's suggestion of considering possibilities such as "rewarding" departments who submitted a budget less than their

last years budget either by merit increase or some other means of recognition. He advised he will bring specific suggestions back to the Board at a later date. Commissioner McIntosh suggested investigating the cost effectiveness of a vehicle maintenance garage. Mr. Alexander said the possibility of combining vehicle maintenance with the City of Shelby had been discussed but had not worked out. Considering the ever changing computer diagnostic technology and the expense of the equipment, other counties surveyed have found this to be cost prohibitive. Mr. Dear stated that a “fairly” new vehicle fleet is maintained in order to keep maintenance costs low.

There was discussion regarding fire districts and the taxing efforts of other entities. Commissioners expressed their desire for the tax rate to be revenue neutral at 58 cents and 15 cents (*school*).

**ACTION:** Jerry Self made the motion, seconded by Willie McIntosh, and unanimously adopted by the Board, to ***authorize the County Manager and Finance Director the latitude to communicate their concern regarding the tax rates of all entities be kept low and to report their findings back to the Commission.***

For future discussion, Commissioner McIntosh suggested the possibility of a referendum regarding monies to be used toward crime control. He suggested “asking the people about what they want us to do, if people say they don’t want taxes . . . or if this (*more law enforcement personnel*) is what you want, then what are you willing to pay for it.”

**ADJOURN**

There being no further business to come before the Board at this time (*11:25 a.m.*), Tom Bridges made the motion, seconded by Willie McIntosh, and unanimously adopted by the Board, to adjourn the meeting.

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*Ronald J. Hawkins, Vice-Chairman*  
CLEVELAND COUNTY BOARD OF COMMISSIONERS

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*Wanda Crotts, CMC, Clerk*  
CLEVELAND COUNTY BOARD OF COMMISSIONERS