

STATE OF NORTH CAROLINA

COUNTY OF VANCE

The Vance County Board of Commissioners met in special session on Monday, August 23, 2010 at 4:00 p.m. in the Commissioners' Conference Room, Vance County Administration Building, 122 Young Street, Henderson, NC. Those Commissioners present were as follows: Chairman Danny W. Wright, Commissioners Eddie L. Wright, R. Dan Brummitt, Terry E. Garrison, and J. Timothy Pegram.

Absent: Commissioners Deborah F. Brown and A. Scott Hughes.

Also present were County Manager Jerry L. Ayscue, Finance Director Steven C. Stanton, County Attorney Jonathan S. Care, and Clerk to the Board Kelly H. Grissom.

County Manager Jerry L. Ayscue gave the invocation.

Chairman Danny W. Wright called the meeting to order and stated that the purpose of this special meeting was to approve a funding plan for school projects, and enter into closed session to discuss an economic development project and a personnel matter.

County Manager Jerry L. Ayscue stated that the Education Committee met and reviewed a recommendation from him and Finance Director Steven C. Stanton. There have been several funding opportunities for the schools that deal with school construction (Qualified School Construction Bonds and Qualified Zone Academy Bonds). A summary was provided to the Board which outlined a funding strategy for the school projects as follows:

Projects:

QSCB I	\$ 2,848,100	Multi-purpose Rooms (4)
QSCB II	1,076,220	Mechanical/HVAC Upgrades - NVHS
QZAB IV	2,000,000	Repair projects at numerous schools
Reserves	403,050	Replace roof, hvac, curb/gutter - Central Office

Funding:

QSCB I	Bonds must be sold by December 31, 2010
QSCB II	Bonds must be sold by December 31, 2010
QZAB IV	Bonds must be sold by December 31, 2011

Recommendation:

- Authorize the sale of QSCBs I & II with funding according to fiscal analysis
- Approve the use of reserves for Central Office project to replace roof and HVAC system
- Review funding options for QZAB IV in 6 months

Mr. Ayscue explained that there is an opportunity to apply for \$482,730, which would amend the QSCB I amount to \$2,848,100. The School Board has taken action to apply for these funds and the Board of Commissioners is requested to do the same.

Mr. Ayscue stated that QSCBs I and II expire at the end of this calendar year. In order for the Local Government Commission to approve the sale of the QSCBs, action is needed to allow the Finance Director to proceed with the application.

The QZAB IV expires in December 2011 and Mr. Ayscue recommended that the submission of that application be delayed until a later time.

Finance Director Steven C. Stanton then explained the financial plan as recommended by the Education Committee. He provided a school debt service analysis which outlined current debt, what is proposed with the two QSCBs and the Schools Central Office, and what revenues will be used to cover these costs. There is no property tax increase projected. All projects would be paid by lottery funds currently on hand and those in the current year allocation. If those funds were to become non-existent, the debt could be paid from sales tax revenues, plus current debt as it expires. Should lottery proceeds be available in subsequent fiscal years, they can be used to retire the debt.

After further discussion of this matter, motion was made by Commissioner Terry E. Garrison to authorize the sale of QSCBs I and II with funding according to the fiscal analysis. This motion was seconded by Commissioner Dan Brummitt and unanimously approved.

Motion was made by Commissioner Dan Brummitt to authorize an application for the additional amount of \$482,730 under QSCB I, for a total of \$2,848,000. This motion was seconded by Commissioner Terry E. Garrison and unanimously approved.

Commissioner Terry E. Garrison moved to approve the use of reserves for repairs at the School Central Office in the amount of \$403,050 as requested. This motion was seconded by Commissioner Dan Brummitt and unanimously approved.

At this time, motion was made by Commissioner Dan Brummitt, seconded by Commissioner Eddie L. Wright, vote unanimous, to enter into closed session to discuss an economic development project and a personnel matter.

Upon return to open session, and as there was no further business, at 5:05 p.m., motion was made by Commissioner Dan Brummitt, seconded by Commissioner Terry E. Garrison, vote unanimous, that the meeting be adjourned.

Approved and signed September 7, 2010.

Danny W. Wright (signed)
Danny W. Wright, Chairman