

POLK COUNTY  
BOARD OF COMMISSIONERS' BUDGET WORK SESSION  
Monday, June 6, 2011, 6:00pm  
Saluda Elementary School  
Saluda, NC  
MINUTES

PRESENT: Chair Gasperson, Vice-Chair McDermott, Commissioner Owens, Commissioner Pack and Commissioner Walker. Also in attendance were County Manager Whitson, Clerk to the Board Fehrmann, staff, media and citizens.

1. Call to Order – Chair Gasperson called the meeting to order.
2. Polk County Schools Pre-School Program – Polk County School Superintendent Bill Miller, Jr., presented his request for \$100,000 to ensure the continuation of the County's pre-school program. The information is on file with these minutes.
3. Polk County School Funding – Bill Miller, Jr., discussed funding issues for the 2012-2013 school year. The information is on file with these minutes.
4. Budget Work Session – The proposed FY 2011-2012 budget was discussed. The information is in the packet. In order to accommodate the \$100,000 pre-school funding request, County Manager Whitson recommended funds be taken out of the following budgets: \$10,000 - Lake Adger Dam; \$10,000 – EDC; \$30,000 – Contingency; \$50,000 – Fuel Contingency. Concern was expressed regarding decreasing the EDC budget, and it was determined that a total of \$60,000 could be taken out of Fuel Contingency instead.

Commissioner Pack recommended that this year the \$100,000 be taken out of excess fund balance. He said the fund balance has grown in the last two years and is predicted to grow again next year. Vice-Chair McDermott said she is opposed to using the fund balance for operating expenses unless it is absolutely necessary. She advocates prudent planning - preserving and growing the fund balance - in anticipation that some future capital projects could be "pay as you go". There is no need to borrow money, and pay interest on that borrowed money, if the County's reserves are sufficiently built up. Commissioner Pack said that in financial times like 2009-2011, if you have a large reserve, he does not understand paying off debt when you do not know what your future revenues are going to be. He said this year approximately \$1.9 million in debt was paid off out of the fund balance. He said, if the County wants to "pay as you go" and plan for the future then, in economic times such as these when revenues are dropping off, the County does not need to pay off debt.

Commissioner McDermott read a statement regarding the budget, a copy of which is on file with these minutes. Commissioner Owens recommended taking \$56,000

out of Recreation Capital Improvements and moving it to Maintenance. He would like to instruct the County Manager to: 1) repair Stearns Gym ceiling; 2) repair Stearns Gym structural weaknesses under the floor; and 3) spend the remaining funds on a tractor with a bucket for the recreation park. Commissioner Owens recommends repairing the Stearns Gym surface floor in 2012/13.

5. Adjournment – Vice-Chair McDermott made a motion to adjourn, seconded by Commissioner Walker and the motion carried unanimously.

ATTEST:

POLK COUNTY BOARD  
OF COMMISSIONERS

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Beth Fehrmann  
Clerk to the Board

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Ray Gasperson  
Chair