

November 12, 1964

Thursday. Special meeting.

Present: All commissioners, Mr. Donaldson, Mr. David Gruber, Senator Raley, Delegates Fowler and Briscoe.

Board of Education Request for Funds

Meeting called to discuss recent request by Board of Education for county to participate in School Loan Construction in the amount of \$1,212,000.

General discussion of county finances, including revenues and indebtedness and how future commitments will effect the economy of the people of the county. Mr. Gruber explained that surplus funds are no longer surplus when debts are apid, as this money than goes out as an expense. On a million dollars, a total of 7% interest would be paid over a period of 14 years. At 3% interest payments would be approximately \$120,000 the first year, and about \$100,000 on the amortization of the loan. Mr. Gruber further explained that although the school debt is going to decrease as the bonds are paid off, the road bonds keep going up, and it must be decided where the money is coming from. He said that the state charges the same amount of interest as the bonds sell for.

Discussed various ways of possibly raising additional monies, and it was suggested that a one cent tax might be placed on soft drinks, or something similar, to be ear-marked for the school board. Possibility of transfer tax on property discussed pro and con.

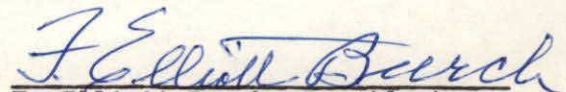
Mr. Briscoe suggested asking the school board to spread these requests out over a period of five years and take care of them according to the greatest need. Mr. Gruber also feels this should be a long range proposition. The county is not in the position to make this decision now, and should put it off if possible. Senator Raley suggested that we might wait until the planning study is complete before making any decision. Mr. Gruber said he would like to see a reliable projection of plans as to what the cost will be, the effect of additional costs, what can be attracted by way of additional industry, etc. Answers to these questions could be passed on to the legislators.

Questions to be answered: 1. Can the \$288,000 be obtained just by asking for it? 2. Are we precluded from using the money at some future date? If so, we do not have to make the decision now. 3. Are projects contained on the list realistic and if not, why not? 4. See what the long range planning group comes up with. 5. Ask about using some of the present buildings on more than normal schedules.

General feeling was that this matter should be investigated more thoroughly, and if none of these projects are of urgent necessity, then hold off until next year. Senator Raley said he felt that there were some unanswered questions that should be fully answered, and authorization for spending the money should not be granted until we are absolutely sure the need is there. Mr. Burch will speak with Mr. King about this matter.

Meeting adjourned.

Approved,


F. Elliott Burch, President