REQUEST FOR BOARD ACTION

ITEM NO. 11.

DATE OF MEETING: March 7, 2011

REQUESTED BY: Commissioner Rivenbark

SHORT TITLE: Resolution Opposing Shift in Traditional State Funding to Counties

BACKGROUND: The Governor's proposed FY 11-12 budget, and proposals being discussed in the General Assembly, shift traditional state funding for a variety of items to county governments. Commissioner Rivenbark has requested a resolution be prepared opposing proposals to shift traditional state funding to counties. A copy of a draft resolution is attached.

SPECIFIC ACTION REQUESTED: To consider a resolution entitled "Resolution Opposing Shift in Traditional State Funds to Counties".

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.

PB

Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

the Board hereby adopts the resolution entitled "Resolution Opposing Shift in Traditional State Funds to Counties". The Chairman/County Manager is authorized to execute any/all documents necessary to implement this resolution.

AMENDMENTS:

MOVED_____ SECONDED_____

APPROVED_____ DENIED_____UNANIMOUS

YEA VOTES: Brown___ Tate ___ Rivenbark ___ Ward___Williams ___

_____ _____
George R. Brown, Chairman Date

_____ _____
ATTEST Date

RESOLUTION OPPOSING SHIFT IN TRADITIONAL STATE FUNDING TO COUNTIES

WHEREAS, counties in North Carolina are statutorily responsible for providing public school facilities in North Carolina and contribute significant county funds for classroom expenses; and

WHEREAS, counties spend more than $1.5 billion annually for public school capital needs and $2.5 billion for public school operating expenses; and

WHEREAS, counties rely on local sales taxes, property taxes, the county share of lottery funds and the county share of the corporate income tax to help fund public school capital needs and have issued public debt based on these revenue streams; and

WHEREAS, counties have lost more than a quarter billion dollars in lottery and corporate income tax school construction funds over the current biennium; and

WHEREAS, the Governor's budget proposal permanently eliminates the county share of the corporate income tax and reduces the county lottery share by 75 percent, costing counties more than $200 million per year in revenues dedicated to public school construction needs; and

WHEREAS, the budget proposal shifts responsibility to pay for replacement school buses ($56.9 million per year) to counties; and

WHEREAS, the budget proposal also takes the unprecedented step of forcing counties to assume the workers' compensation costs for state-paid public school employees ($34.6 million per year) and community college employees ($1.7 million per year) and to fund school tort claims ($4.6 million per year); and

WHEREAS, the budget proposal reflects an overall cost shift to counties of $345 million in 2011-12 alone, requiring counties to raise property taxes to manage a loss of this magnitude;

NOW, THEREFORE, BE IT RESOLVED that the Pender County Board of Commissioners adamantly oppose the unfunded mandates and the loss of county revenues included in the Governor's budget proposal, and oppose any proposals to shift funding of traditional state programs and services to the counties or the use of county revenues to balance the state budget.

Adopted this 7th day of March, 2011.

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George R. Brown, Jr., Chairman

_____
Jimmy T. Tate, Vice-Chairman

_____
F.D. Rivenbark, Commissioner

_____
Chester Ward, Commissioner

_____
David Williams, Commissioner

ATTEST: _____
Rick Benton, County Manager