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By Vice Chairman Gary A. House

On June 27, 2013, in an attempt to compromise with other county commissioners, I made a motion to approve the 2013-2014 budget with no tax increase with the modification that any excess revenues over expenditures in the General Fund would be placed in a newly created Capital Reserve Fund for school construction, renovation and repair. Even though my goal was to bring the ones who wanted to raise taxes for the schools and those who did not want to raise taxes together in compromise, the motion was approved 3 to 2.

The residents of Harnett County received no tax increase and a **promise** to start funding the capital needs of our school system which is literally busting at the seams in several areas of the county.

I waited very anxiously to see how much our fund balance would increase according to our 2012-2013 annual audit. I asked our finance director numerous times how much did it look like our fund balance would increase. She always told me not to get excited but it looked like it would be in the $2.6 million range.

When the audit was delivered to us in December of 2013 , it showed that our general fund balance actually increased $4.6 million. Now, after the $2.4 million dollars it took to fund the 2013-2014 General Fund budget, $2.2 million was left designated to go into this Capital Reserve Fund for schools.

I have brought this issue up three times at Board meetings since. I even asked at the Board meetings for this amendment with the exact dollar amount to be brought to us for approval. Since it had not been presented to us, I prepared it myself and presented it this week.

Our finance officer seemed puzzled that I would make a motion for a budget amendment to fund our schools. She chimed in and stated that the motion that I made on June 27, 2013 was against government and municipal rules because it did not give a definitive amount at that time of the motion. The motion was very specific. We all understood that the exact number would be taken from the audit to be presented later in the year.

At no time over the next seven months did anyone from the County including the finance officer, attorneys, or fellow commissioners ever suggest that the motion to approve the budget with the modification of creating a Capital Reserve Fund to be funded the first year by the excess revenues over expenditures of the 2012-2013 year was not valid.

Hypothetically, giving our finance director the benefit of the doubt and assuming that my motion to adopt the General Fund budget was in fact not permissible, the Board has never legally voted on a budget for 2013-2014. The County has made expenditures for seven months erroneously under the pre-audit requirement because it technically does not have a budget. If part of my motion is not permissible, the whole motion is not permissible. At no time in the last seven months has anyone brought up this issue.

Since the adoption of the budget also sets the tax rate and the date to pass the tax rate has already passed, the tax rate must be zero. The property taxes assessed/paid in 2013-14 were assessed at at 72.5 cent per $100 dollars of valuation rate. Shouldn't those property taxes be refunded since a tax rate was never set?

The Board cannot have it both ways. Either the original budget approved is valid or we have no current budget or tax rate. The County cannot accept half of the motion and not the other half.

By a 3 to 2 vote, we promised the residents of our county we would fund this Capital Reserve Fund. Others may renege on their promise but I will not.

Our schools are in need of help. I have voted against the budget in the past stating that I did not think we were doing enough for the schools. It is beyond the time that eyes were opened and we see the affect that lack of funding is having on our schools, our children, our community and our workforce.

I receive lots of calls from concerned parents particularly in one of the most overcrowded schools in District 2, my County Commissioner district. I also talk with as many teachers as I can. Our issues in the school system run deep. Overcrowding and poor teacher retention in some schools are problems that must be solved.

We cannot expect to attract and retain quality teachers when we have overcrowded schools and the lowest supplements in any county surrounding us. The conditions of the schools do affect the quality of education that we can provide to our students.

It will take a joint effort between the Harnett County Board of Commissioners, the Harnett County Board of Education and the community to compromise in the resolution of these issues that we have in educating our students.

Do I think the county budget is invalid and the county tax rate is zero based on a technicality? NO. Do I think tax refunds will be issued? DEFINITELY NOT.

But I do believe the Harnett County Government should step up and honor its commitment to fund the Capital Reserve Fund for our schools....