

Crazy Commissioners Vote to “Pawn” New Health Department–Building, Property and Equipment !!!– No Word on Missing \$77 Million !!!– Report by Robert A. Williams

First of all, Remember the Commissioners secretly selling the Cleveland County Hospital, Kings Mountain Hospital, Crawley Memorial Hospital, The Health Department, the Mental Health Building, Cleveland Pines Nursing Home and every other County owned health care facility at the fire sale price of \$100 Million? Ever wonder where that \$100 million went to??? I will tell you right now where that \$100 million did NOT go. The \$100 million never went to the rightful owners of the healthcare facilities–you and me and the rest of the citizens and taxpayers of Cleveland County.

Also, remember the quarter of a penny in a sales tax increase the commissioners tried to put over on the county taxpayers that was on the ballot November 8, 2016 that voters rejected by a wide margin. That should put the citizens of Cleveland County on notice that the county is broke and trying to hide it. This article will not include the attempted sales tax increase as it was voted down. But remember that there are still major problems with county financing that the Crazy Commissioners are trying to hide from you.

Read on if you are interested in knowing about how the commissioners have wasted that \$100 million and are borrowing \$34 million more. If you don't care, I suggest you go read the funny papers in the Shelby Star.

Now, back on track.

On Christmas Eve 2016 the Crazy Commissioners ran a legal announcement in the Shelby Star that a Public Hearing would be held on January 3, 2017 about the County going in debt another \$34 million. This new debt is on top of the \$22+ million in bonds spent on the LeGrand Center and Shelby Middle School. None of those bonds were paid off or even paid down a little by the \$100 million Hospital sale.

On Christmas Eve (a Saturday) nobody reads the fine print in the legal section of the Shelby Star. Most people don't read the Shelby Star in the first place. Then, on New Year's Eve the Cleveland County School Superintendent sends out an email message to the school board members that the school district was financing the construction of the new North Shelby School by selling the school to the county as part of a \$34 million debt package.

Nobody reads emails on a New Years Eve Saturday night just like they don't read fine print legal notices in the Star on a Christmas Eve Saturday. So much for public notice. My conclusion here is the Commissioners and the School Superintendent were purposely hiding public notices from the public. Of course you can form your own conclusion on that.

Let's concentrate for a moment on the legal notice and what the Crazy Commissioners are up to.

The Legal notice referred to financing the New Health Department and the new North Shelby School by borrowing \$34 million and paying it back in installments.

If you remember, building the New Health Department was a part of the \$100 million sale of all the county health care facilities. Carolina Medical advanced Cleveland County \$23 million to build the new Health Department. The new Health Department has been built and is totally paid for.

Now read this part of the new \$34 Million dollar load application documents.

“WHEREAS, the County has also determined to finance the acquisition, construction and equipping of the Cleveland County Public Health Center, through reimbursement from financing proceeds of prior capital expenditures for that facility (the “County Project” and, together with the School Project, the “Project”); and”

The fact is the Health Department has already been constructed on county owned property, has been equipped and is presently in operation and has been paid for. Now the county wants to finance a loan on the new Health Department by calling it a “reimbursement of prior capital expenditures.” In short and in laymen’s terms, the county wants to “pawn” the new Health Department as collateral on a new \$34 million loan.

This is how all this came down.

At the January 3. 2017 Commissioner’s meeting a presentation to Commissioners stated that the county needed \$34 million to build a new North Shelby School (\$13.5 million), Infrastructure for a new industrial park in the Washburn Switch area the county was getting into (\$11.5 Million) and an IT Infrastructure Project (\$8.5 million) and the new paid off Health Department would be put up as collateral.

During the public hearing many people, including myself, urged the Commissioners not to go for such a loan until the school project had been well discussed by the school board and an unnecessary \$4 million cost overrun had been resolved. I also raised the issue about auditoriums at Burns and Crest High Schools and urged the Commissioners, if they were set on consolidating projects, to include the auditorium projects too. CCS Superintendent Stephen Fisher told the Commissioners that the auditorium projects were off the table and CCS was not asking for the auditoriums to be funded.

As is typical in Cleveland County the Commissioners did NOT pay any attention to the citizens and voted unanimously to float the \$34 million loan application as it was, millions in waste, and to forget the auditoriums at Burns and Crest High Schools.

Then, the Commissioners made some significant changes to the loan application paperwork and tried to sneak it into the agenda for the January 17, 2017 Commissioner's meeting. The final loan application paperwork does not include the Washburn Switch Project or the IT Project as such. It only says "other projects." Also, CCS is to split off 14 acres of worthless (for construction) property and sell it to the county for a dollar. This property is on the James Love Elementary School location where the new North Shelby School project is going to be built. This property will also be "pawned" as collateral for the \$34 million loan. Only thing is, when the new North Shelby School is built on the property and the new North Shelby School will be attached to the James Love School, a default could lead to the new Health Department, the new North Shelby School and James Love School all being foreclosed upon.

The Crazy Commissioners were informed (by me) that the new loan application had been significantly changed and when the January 17, 2017 meeting rolled around the commissioners had their finance staff tell them that nothing significant had changed. So, upon this false advice the Crazy Commissioners again voted unanimously vote to approve the new debt obligation papers.

So, Cleveland County, you will soon be another \$34 million in debt.

For you astute readers who pay attention, you probably have another question. Since Cleveland County was paid \$23 million in advance by Carolina Medical to build the new Health Department, where did the other \$77 million for the sale of the healthcare facilities go??? And why are we going in more

debt for anything???

That is the \$77 million question. Anybody else want to look into that one???

For more propaganda about the \$34 million loan debt and the new North Shelby School project, come to the CCS School Board meeting workshop on January 23, 2017 (Monday) at 6:00 pm for what may be an interesting time as the school board has been kept in the dark about all of this. Don't expect to get to say anything though. Citizens participation will not be allowed.

Stay tuned. And remember, this is an election year for the school board.