

Robert A's First Encounter with Corrupt Dealings by Gardner-Webb University Board of Trustees and Cleveland County Commissioners!!! Every Taxpayer in CC was Cheated!! Nobody was Prosecuted!! Late 1990's Article Republished by Robert A with comments and conclusions

Editor's Note: Lots of people in Cleveland County and elsewhere are reading Press Releases put out by the Gardner-Webb University Board of Trustees about bad things allegedly done by "ousted" BoT member Max Gardner. Based on Gardner-Webb's 150 years of religious tradition, many people might tend to believe everything Gardner-Webb is saying about Max Gardner or anybody else. Robert A is not one of those "low information" people. And for good and provable reasons.

The following Article was originally prepared by Robert A about 30 years ago. It speaks for itself. And it is ALL based on official public records personally obtained by Robert A. The Gardner Webb University BoT members and the Cleveland County Commissioners conspired to defraud Gardner-Webb as well as Cleveland County taxpayers out of hundreds of thousands of dollars in this one single incident and nobody was prosecuted.

Read for yourself and form your own opinions about the evil things the Gardner-Webb Board of Trustees are capable of doing. And stay tuned as Robert A does his own investigation and reports of this latest (of many) scandals related to Gardner-Webb's corrupt high-level leadership.

Land Scam Partners—Gardner Webb University and Cleveland County

By: Robert A. Williams

Taxpayers foot the bill!

This must be the “worst” kept secret in Cleveland County history. Half a million taxpayer dollars went to political insiders on the sale of Gardner-Webb land and all the records were public and filed with the Register of Deeds. No “insider” feared the Cleveland County news media would tell this story. Until now, they haven’t!

First, a description of how land scams work. The multi-billion-dollar rip-off the taxpayers took in the Federal Savings and Loan failures worked the same way, except some bankers were prosecuted and jailed in those deals. Will the Whitewater land deals involving President and Mrs. Bill Clinton be the next land fraud episode to hit Federal Court?

Anyway, this is how it works. A piece of land is identified.

Purchases or options to purchase are made at inflated prices.

Additional purchases or options to purchase are made to inflate prices even more. Loans are taken out using the inflated land prices as collateral. The sellers pocket the money and then don’t pay the S&L, which forecloses on the overpriced land. The land is worth much less than the loan value, so the S&L takes a loss. Enough losses and the S&L goes bankrupt. Taxpayers pay off S&L depositors and cover the loss. The land sharks who shredded the paper work laugh all

the way to their Swiss banks. A few "sloppy" ones go to jail.

The Gardner-Webb land scam worked even better. The inflated prices went straight to the taxpayers and nobody asked any questions. The proposed taxpayer funded industrial park deal has some major similarities to this story.

For the Record:

There it was, officially recorded in the Register of Deeds office for anybody to see. Cleveland County Tax Map 3162-1-5. Cleveland County DEED BOOK 1079; pages 360, 364 & 580 and DEED BOOK 1080; pages 716 & 720. A quick trip to the library and the front page of the December 5, 1989 SHELBY STAR told the rest. County Commissioner Meeting Minutes Book #19 proves it all.

The county supposedly wanted to expand the landfill. Gardner-Webb University owned the land the County wanted. A member of the Gardner family had bequeathed the property to Gardner-Webb years before. The 1989 SHELBY STAR report said the County Commissioners went behind closed doors for 40 minutes to discuss Gardner-Webb and other issues. The SHELBY STAR did not report anything about the "wheeling and dealing."

The DEED BOOK records show that 500 acres left Gardner-Webb's ownership at 12:39pm on December 20, 1989. The tax stamps indicate a price of \$425,500 was paid to Gardner-Webb. At 12:40pm on December 20, 1989, Cleveland County took possession of 378.3 acres of that land. The price paid was \$568,000 according to the tax stamps.

The DEED BOOK records show that a person well known inside Cleveland County political circles, Robert F. Morgan, owned the 378.3 acres for that one-minute interval between 12:39pm and 12:40pm on December 20, 1989 and picked up a cool \$142,500 for his sixty seconds of ownership.

It did not stop there. Other DEED BOOK and County

Commissioner records show a few weeks later about 37 more acres were needed to "square up" the property line. \$55,000 more to the political insider. It didn't stop there either.

For the short period of ownership, Robert F. Morgan also got the rights to cut the timber off all the county property and he still had 85 acres left over.

LUCKY?

Let's count up what Mr. Morgan got for being so "lucky" for being at the right place and at the right time. \$142,500 plus \$55,000 plus timber off 415 acres plus 85 acres. That pushes a half million dollars pretty hard. That's more that Gardner-Webb got and they owned the property in the first place! The luckiest part about the deal is that the insider option was for only 180 days, yet the deeds were interred 211 days after the option was recorded. Why did the County Commissioners Joe E. Cabiness, Jack Spangler, Joyce Cashion, Coleman Goforth and Charlie Harry, who were in office at that time, seal a land deal that may have included an expired or soon to expire option? Was the County Commissioners gift of a half million dollars to Robert F. Morgan in the best interest of taxpayers?

Why was this story not reported (or prosecuted) when all this information is public record?

INFLATION?

How much was the 378 acres the county bought actually worth?

The county paid \$568,000, but what was it really worth?

County tax records show the county valued the land at Approximately \$168,000 in the year prior to buying the

property. Considering land next to landfills typically depreciates, the large increase is strange indeed. The tax value at the time of sale was approximately \$328000. Twice the value the year before, but still \$240,000 less than what taxpayers paid for the land. Taxpayers timber, valued at \$250,000, was given away too. Almost a half million dollars went to the middleman. More money went to Robert F. Morgan than Gardner-Webb University actually received from the sale. And Morgan only owned the land for sixty seconds, according to public records, when his profits started rolling in.

Officials Respond:

County officials who participated in this land purchase were asked to respond concerning their role in this action.

County Manager Lane Alexander responded by sending copies of the documents and information already obtained.

Former County Commissioner and presently a candidate to retake his old seat, **Jack Spangler**, did not respond at all to a written request for information.

Former County Commissioner Chairman (**and also a G-W BoT member**) when this land purchase took place, and also a convert to the Republican Party for a run at his old post, **Joe E. Cabiness** responded to a written request for information. Mr. Cabiness's response is included in full: **"My recollection is that the land acquisition to which you refer in your letter of February 29th was handled ethically, prudently, to the letter of the law and in the best interests of the Citizens of Cleveland County."**

Editor's Note: Fast forward to March 20, 2023. Apparently, the Gardner-Webb University Board of Trustees of 2023 still think

that the apparently corrupt things that they have done “are handled ethically, prudently, to the letter of the law and in the best interest of the Citizens of Cleveland County and Gardner\-Webb University.” If that is the case, we should all conclude that **ALL** of Gardner-Webb will cooperate fully into **Robert A's** independent investigation into this matter.

Stay Tuned folks. **This ain't over 'til it's over!**