

MUSCOGEE COUNTY SCHOOL DISTRICT
COLUMBUS, GEORGIA

CALLED BOARD OF EDUCATION MEETING
BRADLEY LIBRARY CONFERENCE ROOM
MONDAY, JANUARY 9, 2006, 4:30 P.M.

MINUTES

A called meeting of the Muscogee County Board of Education was held on Monday, January 9, 2006, 4:30 p.m. in the conference room at the Bradley Library.

The following Board members were present: Mary Sue Polleys, Chairman, James Walker, Vice Chairman, Brenda P. Storey, Pat Hugley Green, Philip T. Schley, Naomi Buckner, Joseph Roberson and Fife M. Whiteside.

Others present: John A. Phillips, Jr., Superintendent of Education, Greg S. Ellington, Legal Counsel, Robin Pennock, Deputy Superintendent of Education, Peggy Connell, CAO, Don Cooper, CHRO, Eddie Obleton, CSSO, Del Parker, CFO, Myles Caggins, COFO, Harry Franklin, Ledger Enquirer and TV-9 reporter Samone Doughton.

Dr. Polleys recognized those members attending from a local citizens committee; David Rothschild, II, Maretta Taylor, Bobby Ledford, Wayne Anthony, Jack Bassett, and Frank Meyers.

Dr. Polleys called the meeting to order and stated that the purpose of the meeting was for the Board to take action on a resolution to modify the Legislative Agenda and go into executive session for personnel and litigation matters.

Upon motion of Mr. Walker, seconded by Mrs. Storey, the Board voted unanimously to excuse Mr. Wells from the called meeting who is out of the country.

Ms. Buckner made a motion, seconded by Mr. Roberson to approve the resolution modifying the Legislative Agenda. Dr. Polleys read the Resolution (Appended to minutes) and asked for any discussion or comments on the motion. There being none, she asked for a vote on the motion to approve the Resolution. The vote was unanimous.

Mr. Whiteside, "I'd like to read a short statement. Those of us who are policy makers in this community have to listen to the messages that the public sends us. The failure of the Consolidated Government's effort to pass a second LOST what would have been an eight percent sales tax a year ago was a pretty strong message. That failure had nothing to do with the lack of confidence in the City Government. Actually, we have a good City Government in Columbus and as poll after poll demonstrates the public knows that. What it did have to do with was the fact that Columbus tax payers are unwilling to permanently tax themselves at 8% a higher rate than any other city in the State including metro Atlanta. Under the current sales tax structure in place in this community we tax at 7%. From that 4% goes to the State and 3% goes to the community. That 3% generates about \$90 million a year depending how you apply the exemptions. \$90 million a year is a lot of money. Some of us believe that with cooperation, belt tightening and some out of the box thinking, we can satisfy the operating expense, the capital construction needs for both the City and the School District. Some of us, probably fewer of us believe that an honest and sustainable property tax roll back is also likely possible. The idea of sharing a percent of sales taxing authority between the City and School District is not new. It surfaced first in the 2003 General Assembly but was not pursued, after it became clear it would require Constitutional Amendment. It was discussed again in the 2004 General Assembly before the City's sales tax referendum. After the failure of the referendum in 2004, several concerned citizens, current and past Board members, Council members and Legislators, leaders from both political parties began to seriously discuss how obtaining a shared sales tax could be accomplished. The action we take tonight, we hope, stems from that effort. Three things need to be made clear about what is proposed (1) The proposed tax is not intended to be a tax imposed on top of the 7% now imposed. Rather what is anticipated is a tax that could be substituted for part of what is presently in affect, so this is long term thinking we're engaging in here. The idea here is to have the flexibility to craft a sales tax structure that will allow both the City and the School District to satisfy their financial needs without having to ask the voters for more than 7% in sales taxes. (2) Let me make this clear, this won't be easy. Highly competent legal counsel, we have had some discussion with at King and Spaulding, Richard Woodward who is one of the three competent bond counsel in the State that people rely on; cities and school districts around for bond work rely on. A highly competent legal counsel has assured us that a Constitutional Amendment will be required. This means a statewide campaign for a Constitutional Amendment. That sounds like a difficult task but, we can do that. It's easy to document that the leadership for the Constitutional Amendment that created the E-SPLOST, the 1% educational sales tax that we now have which did not exist before 1997 came from our school board, Dr. Polleys in particular and from our Legislative Delegation, all of them, but then Senator Clay Land, now our federal district court judge who drafted the first pass at a bill to do that. We accomplished that back in 1996 even when the experts said it couldn't be done. How we could accomplish it is a fascinating but generally untold story about how community

dedication to a common goal can bring a successful result. That's what we need here. (3) If voter's statewide vote to allow us to have a new shared sales tax, it will not limit options available either to the City or the School District and it will not go to the local voters unless both the City and the School District agree to it. No one is trying to impose their will on the other. Also, no one is trying to propose anything that the local taxpayers and voters won't have a final say over. What is proposed is merely to create a new tool which can be used to offer options to voters locally if both taxing authorities want to do it. This is about alternatives and flexibility and how we can best and most respectfully use scarce and precious tax dollars. So, what now? Our work is to come to a community consensus. That's really the process that we are starting here. What we are really talking about is an exercise in the enormous, positive power of community consensus. I am convinced that if we can come to an agreement, there's little or nothing that we can accomplish. Past experience has proven that. The dividend of great faith is great gain and this is about faith. Thank you."

Dr. Schley commented, "I think that if it all works it way through, it gives us an opportunity to demonstrate cohesiveness between the School Board and the City Council. We're all working toward the same thing and that is progress in our community. Sometimes it has not always appeared exactly that way. I think that if it works out this way it will be a terrific opportunity for everyone to work together and I'm looking forward to it passing."

Dr. Polleys noted that the Board will now hold a brief executive session prior to starting the Committee Meetings.

Upon motion of Mrs. Storey, seconded by Mrs. Green, the Board unanimously voted to go into executive session for personnel and litigation matters.

Upon motion of Mrs. Storey, seconded by Ms. Buckner, the Board voted unanimously to come out of executive session.

Upon motion of Mrs. Storey, seconded by Dr. Schley, the Board voted unanimously to adjourn the called meeting of the Board.

Greg S. Ellington, Legal Counsel