



**Rutherford County Office Building
289 N. Main Street
Rutherfordton, NC 28139**

Rutherford County

Board of Commissioners

Minutes of May 16, 2026 Special Meeting #1

**Monday, May 16, 2026
5:00 PM**

I. Call to Order

Chairman King called the May 16, 2026 special meeting of the Rutherford County Board of Commissioners to order.

Present: Chairman Bryan King, Vice Chairman Alan Toney, Commissioner Michael Benfield, Commissioner Hunter Haynes, and Commissioner Donnie Haulk.

Members of the Rutherford County Board of Education were also present and were welcomed by the Board of Commissioners.

A. Agenda Approval

Vice Chairman Toney moved to approve the agenda. Commissioner Benfield seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Haynes, and Commissioner Haulk.

II. New Business

A. ID-26-4449 Budget Meeting with Rutherford County Board of Commissioners and Rutherford County Board of Education

Chairman Morrow thanked the Board of Commissioners for meeting with the Board of Education to discuss budget needs. He recognized Superintendent David Sutton who told those present that the recommended 2026-2027 Board of Education's Recommended Local Current Expense Fund and Capital Outlay Fund budgets for the upcoming fiscal year were presented to the Board of Education at their meeting on April 14, 2026. Also presented at that same meeting was the Ten-year Enrollment Forecast Report, and the Long-Range Facilities Planning Committee Report.

Dr. Sutton recognized Finance Director John Morris.

Director Morris told the Board that the proposed Local Current Expense Fund budget reflects revenues and expenditures totaling \$19,746,252, including an appropriation in the amount of \$19,199,252 by the Rutherford County Board of Commissioners; an estimated \$350,000 in fines and forfeitures collected and remitted pursuant to state law; and an estimated \$197,000 in ancillary local revenues. The North Carolina General Assembly has not yet adopted a state budget for the 2025–2027 biennium, which commenced on July 1, 2025. In the absence of an enacted state budget, key components of state funding—most notably salary schedules, employer benefit rates, and allotment adjustments—remain unknown.

Accordingly, the FY 2026–2027 Local Current Expense Fund budget has been developed using a set of reasonable planning assumptions grounded in recent legislative actions, current economic conditions, and known cost drivers affecting school system operations.

Those planning assumptions include:

- An estimated salary increase of 2% for school system employees
- An estimated retirement contribution rate increase of approximately 0.60 percentage points
- An estimated health insurance premium increase of 5%
- An estimated increase of 12.5% in business insurance premiums
- An estimated increase of 8% in public utilities
- An estimated increase of 3% in general purchasing

Chairman King and Commissioner Haulk asked questions regarding a grant which the Board of Education received during the current fiscal year and how this was budgeted. Director Morris responded that grants such as the one described are not included in the Current Expense budget (Fund 2) but are budgeted in a separate fund (Fund 8). State law requires that grant funds must be spent according to the way the grant is written and cannot be co-mingled with Fund 2 funds. If the grant funds supplant budgeted funds, the fund budgeted will revert to fund balance or be re-purposed.

Commissioner Haulk had received information that ADM funds would be significantly higher in the forthcoming fiscal year while the planning allotment estimate received by the Board of Education had shown a \$2,000,000 potential reduction.

Salaries for teachers and other employees of the Board of Education were discussed along with the date any potential salary increases would become effective. Two scenarios were mentioned which were July 1, 2026 or a retroactive pay increase beginning July 1, 2025.

The Board of Education's fund balance as of June 30, 2025 was \$4,700,000. This amount is expected to remain the same on June 30, 2026 or be slightly lower.

Chief Operations' Officer Kevin Bradley presented the proposed FY 2026-2027 Capital Outlay Fund budget which targets the completion of nineteen (19) priority projects across four (4) categories at an estimated cost of \$1,121,000: He stated that this was just a fraction of the capital needs but are considered the highest priority.

Project Category	Project Count	Estimated Cost
Environmental Quality	7	\$531,000
Safety	8	\$305,000
Safety / Accessibility	1	\$ 25,000
School / Student Services	3	\$260,000

Rutherford County Board of Education Vice Chairman Angel King presented the Rutherford County Board of Education’s Facilities Planning Report concerning the long-term organization and use of facilities within Rutherford County schools.

The committee’s work occurred in the context of significant long-term changes in the district’s enrollment patterns. During the 1990s and early 2000s, Rutherford County Schools served more than 10,000 students, reaching a peak Allotted Average Daily Membership of 10,178 during the 1998–99 school year. Enrollment has gradually declined since that time and is approximately 6,900 students today. Demographic conditions—including declining birth cohorts, limited population growth, and broader school choice patterns—suggest that, under current conditions, enrollment is likely to continue declining gradually over the coming decade. The district is already operating with a facilities footprint that exceeds current enrollment needs. As enrollment declines, maintaining the same number of campuses places increasing pressure on operational and capital resources while making it more difficult to sustain robust academic programming and extracurricular opportunities at every school.

To evaluate potential responses to these conditions, the committee examined three structural planning scenarios. The first scenario involved maintaining the district’s current sixteen-campus system and existing feeder patterns. The second scenario involved transitioning to a two-feeder-pattern system with two high schools and two middle schools serving larger enrollment bases. The third scenario explored reorganizing the district into a system of K–8 schools feeding into three high schools. Each scenario presented certain advantages and challenges related to educational programming, community impact, operational efficiency, and long-term sustainability.

An overview of four inactive school facilities included:

Former School Facility	Recommendations
Former Ellenboro School	Retain ownership because the building is a community center.
Former Mt. Vernon-Ruth Elementary School	Proceed to repurpose to a pre-kindergarten site presently located at the Carver Center. Some renovations will be needed at a possible cost of \$800,000. This funding will be coordinated with Rutherford County’s funding.
R-S Middle School	Declare the remaining portion of this site as surplus
Rutherford Opportunity Center	Already declared it as surplus

School -Level Enrollment Comparisons, 2006 and 2025 were:

HIGH SCHOOLS				
Chase High School	910	594	(316)	(34.7%)
East Rutherford High School	914	613	(301)	(32.9%)
R-S Central High School	1192	709	(483)	(40.5%)

REaCH	75	213	138	184.0%
Rutherford Opportunity Center	57	0	(57)	(100.0%)
Subtotal	3,148	2,129	(1,019)	(32.4%)
MIDDLE SCHOOLS				
CHASE Middle School	722	469	(253)	(35.0%)
East Rutherford Middle School	708	528	(180)	(25.4%)
R-S Middle School	808	577	(231)	(28.6%)
Subtotal	2,238	1,574	(664)	(29.7%)
ELEMENTARY SCHOOLS				
Cliffside Elementary School	480	191	(289)	(60.2%)
Ellenboro Elementary School	604	534	(70)	(11.6%)
Forest City-Dunbar Elementary School	525	389	(136)	(25.9%)
Forrest W. Hunt Elementary School	457	395	(62)	(13.6%)
Harris Elementary School	631	413	(218)	(34.6%)
Mt. Vernon-Ruth Elementary School	323	0	(323)	(100.0%)
Pinnacle Elementary School	456	345	(111)	(24.3%)
Rutherfordton Elementary School	420	362	(58)	(13.8%)
Spindale Elementary School	476	323	(153)	(32.1%)
Sunshine Elementary School	293	240	(53)	(18.1%)
Subtotal	4,665	3,192	(1,473)	(31.6%)
TOTAL	10,051	6,895	(3,156)	(31.4)

Recess

- 6:00 P.M. Chairman King recessed the meeting.
- 6:01 P.M. The meeting was reconvened.

After careful review, the committee concluded that transitioning the organization of Rutherford County Schools from a three-feeder-pattern system to a two-feeder-pattern system represents the most sustainable long-term framework for aligning the district’s facilities with projected enrollment levels while supporting strong academic programming and responsible stewardship of public resources.

To support thoughtful implementation of this planning direction, the committee recommends a series of next steps for consideration by the Rutherford County Board of Education. These include issuing a Request for Qualifications (RFQ) to obtain professional architectural and engineering analysis of potential facility scenarios necessary to support a two-feeder-pattern system; coordinating capital planning and funding strategies, including potential participation in the North Carolina Needs-Based Public School Capital Fund; directing the administration to develop new school assignment boundaries following final site determinations; and developing a publicly communicated timetable outlining key milestones in a multi-year transition process. The committee also recommends that the Board review updated ten-year enrollment forecasts annually to ensure that long-range planning remains responsive to any meaningful changes in enrollment trends or demographic conditions.

Following review of the professional facilities analysis and determination of specific project priorities, the committee recommends that the Board of Education pursue available state capital funding through the Needs-Based Public School Capital Fund and Public School Building Capital Fund, both administered by the North Carolina Department of Public Instruction.

The committee further recommends that the Board of Education coordinate this effort with the Rutherford County Board of Commissioners to align local and state funding strategies in support of selected facility investments.

Mr. Bradley provided a possible timeline which included dates for grant applications that would be a joint venture with the Board of Commissioners and the Board of Education. Chairman King pointed out that a match for the grants would still involve debt service but the County has other needs that will require debt service. He suggested that a meeting be held of all entities that are requesting funding from the County.

Commissioner Haulk questioned why Scenario #3 was not chosen as the preferred plan as it appeared to require less travel time. It was advised by the Board of Education that solid numbers for transportation costs and time would be hard to extrapolate until sites were selected. Vice Chairman King said middle school's delivery of programs, extracurricular activities, electives, and sports were a major part of the selection process. Option 3 seemed to walk back what the schools are striving to accomplish and what the County has become accustomed to in education, according to Superintendent Sutton.

Commissioner Haynes asked if there would be a public meeting to inform citizens about the proposal as he has reservations about changing what has in place for so many years. Dr. Sutton responded that he understood and realized there will be conflicting views about the path forward for the county but the context is urgent and non-negotiable for the County as there has been a loss of 31.4% of students and should lose another 1,300 students over the next ten years. Assuming there are no increases in the next ten years, a 75% increase in the County's appropriation would be required to meet unfilled financial needs. This would be \$14,500,000 in additional funding. There are consequences of inaction that would be untenable.

Vice Chairman Toney said a levy limit bill will be introduced in the General Assembly. If this passes, additional funding is uncertain.

III. Adjournment

At 6:42 P.M. Vice Chairman Toney made a motion to adjourn. Commissioner Haynes seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Haynes and Commissioner Haulk.

Noes: None

Chairman, Board of Commissioners

Vice Chairman, Board of Commissioners

ATTEST:

Clerk, Board of Commissioners