

Minutes
Transylvania County Board of Education
and
Transylvania County Board of Commissioners
June 1, 2010

Budget Workshop/Joint Meeting

Call to Order/Welcome
Introduction of Members
Presentation of School Board Request
Budget Discussion
Public Comment
Adjourn Joint Meeting
Board of Elections Appeal
Budget Discussion
Public Comment
Recess

The Transylvania County Board of Education met in joint session with the Transylvania County Board of Commissioners at the County Budget Workshop on June 1, 2010 at 6:30 p.m. in the Rogow Room of the Transylvania County Library. The purpose of the meeting was to discuss the school system's budget request for the 2010-2011 year. In addition to approximately 100 guests, the following board members and staff were present:

Board of Education

Chris Whitmire, Chair
Tawny McCoy, Vice Chair
Shelia Norman
Cindy Petit
Sue Fox
Dr. Jeff McDaris, Superintendent
Norris Barger, Finance Director
Jenny Hunter, Admin. Assistant

Board of Commissioners

Jason Chappell, Chair
Kelvin Phillips, Vice Chair
Mike Hawkins
Daryle Hogsed
Lynn Bullock
Artie Wilson, County Manager
Gay Poor, Finance Director
Trisha Hogan, Clerk to the Board
Sheila Cozart, Personnel Director

Mr. Chappell gave the invocation and Mr. Whitmire led the Pledge of Allegiance.

Call to Order / Welcome / Introductions

Chairman Chappell reconvened the Board of Commissioners' recessed budget workshop. Chairman Whitmire called the Board of Education to order and gave opening comments. He thanked everyone for attending the meeting and encouraged attendance at subsequent budget workshops. Mr. Whitmire introduced the Board of Education head table and Mr. Chappell introduced the County Commissioners' head table.

Presentation of School Request

Dr. McDaris gave a summary of the anticipated local budget changes for FY11. He reported that state budget cuts remain an unknown factor at this time. Mr. Barger presented a PowerPoint display illustrating the priority capital outlay needs by school (see below). He informed Commissioners that the TCS facilities master plan has been further refined since the last joint review and would be presented again at a future date.

BREVARD ELEMENTARY

1st and 4th grade restroom stalls - \$13,500
 Restroom tile replacement - \$15,000

BREVARD HIGH

Football field renovation - \$25,000
 Replace CTE air handlers - \$39,000
 Special education roof repair - \$44,720
 North parking lot resurfacing and drainage - \$78,000
 New gym sound panels/PA system - \$24,000

BREVARD MIDDLE

Relocate parent/bus drop-off; traffic safety - \$140,000

DAVIDSON RIVER

Security cameras and alarm system - \$11,000

PISGAH FOREST ELEMENTARY

Secure entry access to reception - \$2,500

ROSMAN ELEMENTARY

Safety fencing along river - \$8,000
 Restroom tile replacement - \$10,000

ROSMAN HIGH / ROSMAN MIDDLE

Oil tank repairs and replacement - \$30,000
 Additional parking and paving - \$68,000
 New gym sound panels/PA system - \$12,500
 Interior/exterior painting (trim only) - \$31,000

T. C. HENDERSON ELEMENTARY

Restroom tile replacement - \$2,400
 Security camera / front entry access - \$3,500
 Sound panels cafeteria - \$4,000

SYSTEMWIDE

Payment on QSCB bonds - \$64,924
 HVAC capital repair - \$25,000
 Roof maintenance - \$12,000
 Capital repairs - \$40,000
 Contingency - \$20,000
 Regular program furniture and equipment - \$620,745
 Bus garage paving - \$98,000
 66-passenger activity bus - \$82,600
 Special request program expenditures - \$71,000
 BHS, BMS, RHS, RMS gym floor refinishing - \$14,200
 Grounds maintenance - \$5,500

Mr. Barger reported that he anticipates a great deal of equipment replacement will be needed over the next ten years as items original to the 1970's wear out and become obsolete. Dr. McDaris cited as an example that the next replacement activity bus purchased would have to be equipped with a handicap lift. Chairman Whitmire added that while items such as restroom tile

replacement and school entryways may not seem like urgent needs, they cannot be overlooked from a health and safety standpoint.

Dr. McDaris cited the many ways in which the school system has demonstrated positive financial stewardship through reductions and cost cutting measures. He noted that as the County celebrates its Sesquicentennial this year, so does the school system, stating "For 150 years, Transylvania County Schools has provided premiere education to the community and its most valuable resource—our children. With nine schools, one central services building, and one plant operations/transportation facility, the schools serve over 3,600 students directly and over 15,000 residents indirectly. Daily traffic in our parking lots and buildings of over 4,000 citizens and 1,400 vehicles every day means a lot of wear and tear. I ask you to name one other enterprise, business, industry or endeavor in our county's history, past or present, that has produced a more successful and numerous end product than our county school system. Our facilities reflect a community's priorities." He pointed out that Transylvania County Schools has been and continues to be a leader in achievement and education excellence. He encouraged the Commissioners to support the needs of the school system, concluding with "Transylvania County Schools are the fabric that holds our community together."

Budget Discussion

Dr. McDaris addressed the following questions that were submitted previously by the Commissioners:

1. *How many teacher salaries are being paid by federal stimulus funds and how many teachers, assistants and others would be impacted when the stimulus funds run out at the end of FY11?* A total of 12.44 full-time positions are being paid by stimulus monies, plus an additional 18 positions are being paid from stabilization (not stimulus) funds, for a total of 30.44 affected positions. This represents a little over 10% of total staff.
2. *What are some of the things other LEAs are considering doing when the stimulus funds run out?* It varies by system. Some are cutting employee positions; others are cutting music/arts programs, supplies and materials, and athletics, particularly non-revenue sports.
3. *What is the Board of Education's plan when the stimulus funds end in FY11?* There is no specific plan until more is known about the level of state cuts and the level of local support that may be counted on. Some possibilities include attrition of necessary positions through retirements; raising class sizes where possible within legal limits; elimination of field trips and non-revenue sports and some events; further reduction in bus routes; further reduction in instructional supplies and equipment; further reduction in grounds maintenance; further reduction in facility maintenance and repair except for emergencies; elimination of after-school labs; and increased reliance on parents and community support for school supplies.
4. *What are the enrollment projections for the next five years and what is the impact on funding?* Enrollment has been on a downward spiral ever since the loss of major industry in the county. Families continue to move away seeking work, making it hard to predict numbers each year. Also, we compete for students with charter, private and home schools. Home schooling is an ongoing concern, because for every good home school, there are several more bad ones. Dr. McDaris expressed frustration with the laxity of state standards regarding home schools, saying, "Our teachers have to jump through hoops to prove their qualifications over and over, while all one needs

to home school in North Carolina is a GED and a pulse.” We lost about 80 students last year, but a loss of 80 students is never in the same grade level or school. Across 13 grades that is roughly 6 students per grade level. Across classes, it is about 1-2 students per class. Therefore, we still need the same number and amount of teachers, teacher assistants, classrooms, energy (lights/heat/air), buses, materials, etc. The loss in dollars is staggering--approximately \$5,000 per student.

5. *The budget mentions that reversions were made to the State last year. What services were affected and how, if any, were those losses made up?*
- Worker’s comp reduced by \$10,000 via personnel training and awareness programs
 - Work orders over \$500 denied unless an emergency, necessary for classroom instruction, or operation of schools
 - Aggressively comparison shopped property and auto insurance, and sold surplus vehicles (\$8,000 savings)
 - Reduced grass mowing by 27% (\$10,000 savings)
 - Adjusted thermostats to use less energy
 - “Kill the Power” campaign to conserve energy
 - Collected scrap metal from construction jobs to cover plant operations and transportation costs
 - Four school positions were not filled last year
 - Three administrative positions were not filled last year
 - Bus routes were reduced by 128 miles per day, a 12.78% decrease (23,000 miles per year)
 - Athletic teams ride together more frequently to away contests
 - Activity/field trips reduced by 3%
 - Open Office software utilized to reduce licensing costs by \$128,000
 - Three-year replacement schedule for computers extended to four years, meaning heavy operation by multiple users every day without any warranty for one year
 - Technology Showcase in physical format reduced in favor of virtual showcase
 - Increased use of Webinar and online staff development to save travel costs
 - Printers reconfigured to utilize zone printing, reducing printing costs and eliminating most desktop printers
 - In-house repairs performed by staff and students saving repair and building costs
 - Volunteer hours in schools totaled over 25,000 last year. Calculated in minimum wage dollars, this represents a savings of over \$181,000
 - Parents increasingly asked to shoulder burden for school supplies
 - Existing central office personnel performing project oversight and management to save additional position costs
6. *Are other school system systems asking for increases in current operating funds and capital funds for next year, or are they remaining steady? Buncombe County Schools and Asheville City Schools receive an established portion of a local tax that goes directly to a school capital reserve fund. Burke County has a similar “sinking” fund. Henderson County has asked for an increase for next year. Jackson County has not, but work will be done from a school capital reserve fund they have. Haywood County anticipates a cut.*

7. *What is the latest information regarding additional state cuts and what is your plan to deal with them?* See number 3 above. The latest projections suggest an additional loss of 4 teaching positions and 8.33 teacher assistant positions. We believe we can absorb the 4 teacher positions and 4 of the teacher assistant positions through attrition, leaving a net loss of 4.33 teacher assistant positions due to ADM.
8. *Has the Board taken measures to reduce current expenditures, such as coaching supplements, sports, or other items?* If so, what are they and what is being considered? See number 3 above. Coaches are paid next to nothing. Coaching supplements average out to about a dollar an hour at best.

Mr. Hawkins suggested that the two boards work together to address the loss of ARRA funds in 2011. Dr. McDaris agreed that it would be a good idea to start this conversation as soon as possible. Mr. Wilson gave a reminder that the county could be facing loss of two funding streams, the \$1.7 million in ARRA funds plus additional stabilization funds.

Chairman Chappell asked about a “pay to play” proposal being considered by the Charlotte Mecklenburg school system and whether such a proposal would be considered here. Dr. McDaris stated that he would not be in favor of this because it would place the funding burden on the backs of athletes and their families.

Mr. Wilson stated that the Board of Education has asked for a \$14.2 million budget for the 2010-2011 year, a roughly 11.5 percent increase over the current budget. He has recommended that the budget be reduced to \$13 million. In capital outlay, the Board has requested \$2,291,089. His recommendation would be \$1,046,963. He asked whether the Board would re-prioritize any of the capital outlay items listed on the one-page priority sheet. Dr. McDaris stated that all of the items listed were studied extensively, and all are important. He deferred to Chairman Whitmire as to the Board’s intentions.

Chairman Whitmire stated that Transylvania County ranks 13th in the state in ability to pay for its schools, yet ranks 79th in the state in relative funding effort. He pointed out that other counties have the ability to provide needed school buildings without raising taxes because they set money aside each year in capital reserve accounts. He stated, “In Transylvania County, students are operating in buildings where classes have to be canceled due to leaking roofs. Travel time has doubled for student athletes due to cuts in transportation. Enough is enough. Our county benefits greatly by the library and other new facilities. When it gets down to brass tacks, our students get one chance to get a good education. We are at a tipping point. There is no fat to cut. We have to grovel for things that even South Carolina school districts have. We are behind and falling further behind every year. My question to the County is, once upon a time there was a lot of money appropriated for capital reserve. Would anyone agree to a 2/2 meeting to discuss why we don’t have a capital reserve account any more?”

Chairman Chappell responded that he was offended by the accusation implied by this question and by the characterization of the school board as having to grovel. He stated, “I wear my heart on my sleeve for education. We are responsible to every single citizen in this county. Until the General Assembly decides to change it, education funding streams go through us. There are a lot of people hurting right now. We are trying not to cut services. We are not going to let an accusation that we are not concerned about education go by.”

Chairman Whitmire stated that he did mean to imply that the Commissioners do not care about education; however, should one compare the county facilities to the school facilities on a building by building basis, he believes he has a point.

Mr. Chappell stated that the new jail facility was required by state mandates. It was built by grants, private donations, and other means. He pointed out that the fountain is there because the City of Brevard requires a water reservoir. He stated that one should look at all the facts before throwing out accusations.

Mr. Hawkins stated that this has been a tough year for everyone and that “grovel” may not have been the best choice of words. He emphasized that both boards should work together to develop a plan to address current and long-term needs, create new facilities, and take care of teachers and staff. He stated that the two boards have to trust each other in order to work together and urged the boards to position themselves so that when the recession is over, they can move on together toward their shared goals.

Mr. Bullock acknowledged that there has been a lot of money spent on the county’s public facilities over the years; however, the elected officials sitting here tonight were not the ones to make all of those decisions. He stated that the County does not want to shortchange education. He spoke about the long-term benefit to the county from Career and Technical Education training. He gave a reminder that the commissioners did approve funding for the new CTE building during a time of great economic hardship. He agreed that South Carolina districts may have more in some areas, but South Carolina also has seen a big loss of teachers. He expressed his hope that some of the pending capital projects would be re-evaluated or come in below budget. Regarding the BHS football field, he stated that he could not support spending three-quarters of a million dollars when county employees are facing a third year without a salary increase. He feels that a new drainage system would be a more affordable solution for the field.

Mr. Phillips gave a reminder that the last five years represent the best cumulative funding that the school system has received from the County, with the exception of a one-year reduction. He stated that the Board of Commissioners has worked hard to increase the schools’ capital funding level from where it used to be and to improve the working relationship of the two boards, all for the benefit of students. He noted that although two commissioners had voted against the new CTE building because they felt there were unanswered questions and the project could have waited, in the end the entire board agreed to assist in doing the project. He stated that it was unfair to accuse the Board of Commissioners of not supporting education. He urged the boards to work together, saying that nothing would be accomplished if discord exists between them.

Public Comment

Meredith Licht, Teacher and TCAE officer, addressed the Boards. She stated, “Every dollar spent on our schools is a dollar invested in the future of this county. We are today’s workforce. We employ more full-time workers than any other business. We are the surest investment to attract new business. We support families and provide basic and necessary services that affect every person in this county. We have capital needs that are just as important because they make instruction possible. Students will not be receiving new textbooks this year in spite of state-mandated changes in curriculum. We all have to make sacrifices. I ask you, despite the shortfalls, to work together to find a way to staff our schools because schools are our future.”

Mike Bailey, Principal, stated, “I am in my twenty-sixth year in Transylvania County Schools and I appreciate everyone’s passion about education. I am here as an advocate for teachers. Given

the freezes for state employees, I have seen teachers and teacher assistants work just as hard as always with no raises for the last three years. For the second year now, employee insurance premiums are going up. It is all a severe hit. I just keep saying, 'Be happy you have a job.' My staff continues to amaze me with the great job they do."

Chairman Chappell thanked the speakers for their comments and everyone for coming out to the meeting.

Chairman Whitmire reiterated his offer to meet 2/2 with commissioners to discuss the issues raised previously. He thanked the school employees present for their dedication and all that they do.

Mrs. McCoy stated that she knows the boards can find a way to work together regarding funding. She stated, "We are all passionate about education. However, the school system is more than just education. It is a large part of the economy of this county. We need to keep our schools in good repair. We are one of the county's largest employers. I ask that you keep that in mind."

Mrs. Norman thanked the Commissioners for allowing the Board to come and present. She gave a reminder that there are many areas in which Transylvania County Schools does not qualify for supplemental funding; therefore, any state cuts affect our district to a greater extent. She agreed with the need to sit down and discuss how to handle upcoming unfunded mandates. She expressed appreciation for all that the County does to fund the school system as much as it can.

Mrs. Fox thanked the Board of Commissioners for listening and expressed confidence that the two groups can maintain their good working relationship. She stated, "Everything begins with the classroom. The strength of our county depends on it."

Mrs. Petit stated that the Board had worked very hard to sharpen its pencils without hurting people or programs. She emphasized that many of the capital needs are safety related. She expressed hope that the boards could work together and keep the kids first.

Mrs. Norman asked the Commissioners if they could help identify the owners of a property on McLean Road which contains abandoned cars and other debris. She stated that the Board would like to have the City install a sidewalk along this area of McLean Road in order to improve safety for children who walk to school. Mr. Chappell stated that they would look into this.

There was no further joint business, and ON A MOTION BY MRS. MCCOY, SECONDED BY MRS. NORMAN, the Board of Education meeting adjourned at 8:15 p.m. The Board of Commissioners recessed for a short break before resuming their budget workshop.

Respectfully submitted,

Chairman

Secretary