

May 3, 2017
Special Called Joint Board Meeting

The Martin County Board of Commissioners met in Special Session with the Martin County Board of Education on Wednesday, May 3, 2017 at 7:00 p.m. at the NC TeleCenter, 415 East Blvd., Williamston, North Carolina.

ASSEMBLY

Martin County Board of Commissioners and staff in attendance: Chairman Elmo “Butch” Lilley, Vice Chairman Tommy Bowen, Commissioner Ronnie Smith, Commissioner Dempsey Bond, Jr., County Manager David Bone, Clerk to the Board Marion B. Thompson and Finance Director/ Deputy Clerk Cindy Ange.

Commissioner Joe R. Ayers and County Attorney Melvin Bowen were not in attendance.

Martin County Schools Board members and staff in attendance: Chairman Kenneth Harrell, Vice Chairman Barbara Council, School Board member Van Health, School Board member Russ Ayers, School Board member Addie Lou Leggett, School Board member Renee Purvis, School Board member Gene Scott, Superintendent Chris Mansfield, Administrant Assistant Clara Banks, and Finance Officer Karen Rogerson. Refreshments were provided by the School Board.

Chairman/Commissioner Lilley and Board of Education Chairman Harrell called the Joint Board meeting between the Martin County Board of Commissioners and the Martin County Board of Education to order.

The Pledge of Allegiance was led by Commissioner Bond. Commissioner Smith offered the invocation.

AGENDA APPROVAL

Commissioner Smith made a MOTION to approve the agenda as presented, with a SECOND by Vice Chairman Bowen. The motion was unanimously APPROVED.

Upon a MOTION by School Board member Heath, a SECOND by School Board member Leggett, and a unanimous vote, the Board of Education approved its agenda.

2017-18 Martin County Schools Budget Presentation

Superintendent Chris Mansfield stated a good deal of budget information remains unknown at the current time. The Department of Public Instruction had released minimal information about state funding allotments and, thus far, only Governor Cooper’s budget proposal had been made public. The School was awaiting additional budget proposals from the NC House and Senate, as well as, federal program allocations in order to complete the budget picture.

Throughout the spring, much conversation had centered on several state funding issues that would most certainly impact the budget landscape for Martin County Schools. Chief among

these was the K-3 class size allotments and small schools funding discussed in more detail below.

Kindergarten to Third Grade Class Size

With regards to the class size allotments, Superintendent Mansfield commented thanks go to the NC Senate and House for taking another look at this issue and approving a compromise for the coming school year. When the school budget was first formulated, prior to the compromise, K-3 class size requirements indicated the need to hire about six elementary positions above what was allotted through state funds, not including enhancement positions for art, PE, or music.

This current expense budget request included local funding for seven teaching positions, the same number funded in the current year budget. While the new class size compromise would likely reduce the number of K-3 teachers that must be funded locally, Superintendent Mansfield commented it appeared more prudent at that time to leave the seven positions in tact given complete budget information was not available. Any reductions that may be achieved through the class size compromise or offset through federal funding could ease the impact on the school system's fund balance for 2017-2018, but a final outcome would most likely not be known until mid-summer.

Small Schools Funding

Superintendent Mansfield stated due to a reduction of the school system's Average Daily Membership (ADM), the possibility exists that Martin County Schools could again qualify for small schools funding, potentially providing the system with an allotment of \$1.6 million. Although hopeful and optimistic, Superintendent Mansfield suggested caution must be exercised not to rely on possibilities. If small schools funds were not restored, Martin County Schools, once again, would be looking at a \$332,000 reduction in that state budget line. That would bring the system's total loss of small schools funds to right at \$1.33 million over the past four years, with one more year of reductions remaining. It would probably be late summer or even the start of the school year before the school would know whether the funds would be received.

Other Issues Impacting the Budget

Additionally, federal allotments, usually available by mid-April, had not yet been released. With the installation of a new administration and a new Congress, the federal budget picture may look completely different from that in 2016. While a continuing resolution had been passed to keep the federal government operating until September, there continued to be discussion of shut downs. Also, reductions to non-defense budgets and a possible return of sequestration continue to be discussed at the national level.

North Carolina's plan for implementation of the Every Student Succeeds Act (ESSA), due in Washington DC by September 18, 2017, may also alter the federal funding landscape based on what states and school districts would be required or not required to implement. All of these changes contribute to budget uncertainty at the federal level.

Currently, about 409 students attend nine different charter schools – more than ever before. Of these 409 students, three hundred (300) attend Bear Grass Charter, twenty-six (26) attend Washington Montessori, nine (9) attend Northeast Carolina Prep, forty-five (45) attend Northeast Regional School of Biotechnology and Agriculture, sixteen (16) attend Heritage Leadership Academy, eleven (11) attend the two virtual charter schools, NC Connections Academy and NC Virtual Academy, two (2) attend Winterville Charter, and two (2) attend the Ignite Innovation Academy. There continued to be movement by the General Assembly to pass legislation to create even more rural charter schools and/or to reallocate to charter schools LEA funding for programs that charter schools may not even offer. Either of these actions would have a major impact on the school system.

Proposed increases in salaries and benefit rates would greatly impact the school system's budget. Final health insurance and retirement rates were currently unknown, but this budget was based on what NCDPI projects at the current time. Governor Cooper proposed an average 5% salary increase for certified employees and a 3% salary increase for all others. However, any final salary increases and/or bonuses would be a compromise of the House, Senate, and Governor's budgets.

Several grant programs had either ended or changed, thus impacting the local budget. The loss of NC IRIS funding associated with the abrupt closure of NC New Schools resulted in an increased expenditure of college textbooks for the district. Estimated textbook costs for community college, AP, and online textbooks were expected to be upwards of \$20,000 next year. Through this current school year, the system had benefitted from E-Rate funding to help offset the lion's share of telecommunications costs. That support was being phased out effectively doubling the cost of telephone service from \$33,000 to \$70,000 for 2017-18. Finally, the Golden Leaf STEM grant had concluded. This budget proposed funding for STEM initiatives in the amount of \$21,000.

Budget Requests

The Martin County Board of Education presented a local Current Expense Budget of \$7,117,163, and requested that the Board of Commissioners fund \$5,790,158. This represented an increase over last year's budget appropriation of \$136,158, or about 2%. This amount would basically offset increases in salaries and benefits, community college textbooks, STEM programs, and the loss of E-rate support for telecommunications.

In addition to the local Current Expense Budget, the Board of Education also presented a Capital Outlay Budget in the amount of \$599,872. This represented an increase of \$2,984 over last year's appropriation of \$596,888. This budget reflected instructional, security, technology, safety, and maintenance needs at each school, plus a \$14,744 expenditure to install stage lighting in the Martin County Auditorium.

Reorganization

In looking to the future, Superintendent Mansfield reported the Board of Education recognized the role reorganization can play in reducing long-term operational costs to the system and county, and for some time had discussed a reorganization plan that would reduce the number of

schools and phase out the use of the oldest facilities. To that end, the Board of Education reasserted its intention to reorganize its facilities over the next three years. A brief timeline for this reorganization was provided for review and/or for answers to questions regarding it.

The first step in this reorganization plan would include the completion of the Career Technical Center. As had been discussed for some time, the intention would be to pursue an Economic Development Administration (EDA) grant in the amount of \$2 million. According to EDA officials, the original cost estimate of \$7.4 million was a non-starter and most recent information from EDA suggested the total project cost should be in the \$4 million range. The plans were currently being reviewed in an effort to find the savings necessary to reach that \$4 million target. Principals from each party, in conjunction with Kevin Richards from the Mid-East Commission, have agreed to submit the grant proposal to EDA in early June. EDA then has a 45-day window to review the proposal and extend an invitation to make formal application. EDA customarily makes awards within 30 days after receipt of the formal application. Given this timeline and assuming approval, it would be reasonable to expect an EDA award by late-August or mid-September, paving the way for the formal design, bidding, and construction processes.

To that end, the Board of Education also presented a formal request for a \$1 million dollar allocation from the County to be used towards the completion of the Martin County Career Technical Center.

Superintendent Mansfield thanked the Martin County Commissioners, Mr. Bone, and Mrs. Ange for all their efforts on behalf of the children of Martin County and asked the Board of Commissioners to support the budget requests presented. Superintendent Mansfield thanked also the School Board members, and school staff including Ms. Karen Rogerson, Ms. Lisa Bowen, and Mr. Gary Speller for their assistance in the development of these budget requests.

Superintendent Mansfield stated he was very grateful for the respectful and collaborative relationships that exist between those in attendance. Adding, many challenges lie ahead and it would take continued cooperation and dialogue between the Boards of Commissioners and Education to achieve great things for Martin County and its young people.

DISCUSSION

The two Boards discussed the current state and challenges for Martin County Schools. While some schools/students in the County have been performing at or above state levels, questions centered on what the County, as a whole, could do to improve the performance of all schools/students.

The importance of spotlighting the successes of the students and schools was stressed, as well as the challenge of recruiting teachers, especially minority teachers. Reportedly, the School Board had strongly encouraged State officials, Senator Erica Smith-Ingram and Representative Shelly Willingham, to review and support the reimplemention of the Teacher's Fellows Program, with the stipulation that recipient would have to return to their native county to teach.

Additionally, it was mentioned that Representative Willingham helped to sponsor HB 389 – School Calendar Flexibility Pilot Program, which would allow special districts to begin school as

early as August 10th, in line with the Community College schedule. The bill passed the House and was sent to the Senate, who in turn, referred the bill to the Committee on Rules and Operation of the Senate on April 10, 2017.

The potential of some underperforming schools in Martin County becoming “restart school” was noted. The North Carolina State Board of Education grants certain schools the freedom to allow use of the “restart model.” Schools in the restart model have some loosened restrictions usually reserved for the state’s charter schools. Additional teachers, innovative ideas and flexibility in the way of instructional delivery, as well as the manipulation of the calendar, may be used so to insure the success of every student in those schools.

Superintendent Mansfield was asked to provide data on restart models at a later date, as well as the Advance Education report for Martin County Schools.

Reportedly, the School Board has been considering year round school and charter schools. Internet or broadband access continues to be an issue for many students. The concept of “people helping people” was noted as a means for more students to obtain internet access. (Example: a business or someone in the community providing broadband access to student that have cell phones but no wireless access.)

County Manager David Bone requested information on the School Board Capital Fund balance, which was not known at the time.

Appreciation for meetings such as this one, the dialogue and the collaboration between the two Boards could not be overstated. The Commissioners were encouraged to attend School Board meetings to see first-hand what is being done concerning the students in the County.

ADJOURNMENT

With nothing further to discussion, Commissioner Bond made the MOTION to adjourn the joint meeting between the Martin County Commissioners and the School Board around 8:10 p.m., with a SECOND by Commissioner Smith. The motion was unanimously APPROVED.

There being no further business, upon a MOTION by School Board member Scott with a SECOND by School Board member Leggett, and a unanimous vote, the Board of Education meeting adjourned at 8:10p.m.

Elmo “Butch” Lilley, Chairman

Marion B. Thompson, NCCCC
Clerk to the Board