

**April 28, 2021**  
**Special Called Joint Board Meeting**

The Martin County Board of Commissioners met in Special Session with the Martin County Board of Education on Wednesday, April 28, 2021 at 7:00 p.m. at the NC Telecenter, 415 East Blvd., Williamston, North Carolina. The Board of Education offered access to participate remotely through Google Meet and YouTube, due to COVID-19 pandemic restrictions.

**ASSEMBLY**

Martin County Board of Commissioners and staff in attendance: Chairman Ronnie Smith, Vice Chairman Dempsey Bond, Jr., Commissioner Joe Ayers, Commissioner Emily Biggs, Commissioner David “Skip” Gurganus, County Manager James Bennett, Deputy Clerk to the Board Marion Thompson, Finance Officer Cindy Ange and Sheriff Tim Manning.

Martin County Schools Board members and staff in attendance: Chair Barbara Council, Vice Chair Renee Purvis, Board Member Gene Scott, Board Member Van Heath, Board Member Kenneth Harrell, Board Member Gail Cargile, Board Member Keisha Manson, Superintendent Dr. David Fonseca, Chief Finance Officer Karen Rogerson, Administrative Assistant Sherry Scott, Director of Student Services Clay Wagner, H/R & Exceptional Children Lisa Bowen, IT Director CTE & Instructional Technology Jim Guard, and IT Lead Technician Doug Bullock.

Chairman/Commissioner Smith and Board of Education Chair Council each called the Joint Board meeting between the Martin County Board of Commissioners and the Martin County Board of Education to order.

School Board Member Van Heath led the pledge of allegiance. County Commissioner Gurganus offered the invocation.

**AGENDA APPROVAL**

County Commissioner Gurganus made a MOTION to approve the agenda as presented, with a SECOND by County Commissioner Biggs. The motion was APPROVED unanimously.

Upon a MOTION by School Board Vice Chair Purvis, a SECOND by School Board Member Heath, the Board of Education approved its agenda unanimously.

**2021-2022 Martin County Schools Budget Presentation**

Dr. David Fonseca, Superintendent of Martin County Schools, provided the following budget message:

“On behalf of the close to 2,800 students, parents and guardians, as well as the over 500 teachers and staff, and on behalf of the members of our Martin County Schools Board of Education, I have the honor and privilege of presenting for your consideration the budget for the 2021 - 2022 school year.

Before the budget is presented for your consideration, please allow me to take this opportunity to thank the members of the Martin County Board of Commissioners, for their longstanding history of support of Martin County Schools. While the budget is often seen as a year-to-year process, it is actually an ongoing opportunity for dialogue between two governing bodies about the future of our students and families, as well as the long-term economic growth and development of Martin County. Thank you, to each of you, for investing in the future of our girls and boys, teachers and staff, parents and community of Martin County.

### THE PROCESS

As the superintendent of Martin County Schools, it is my responsibility to lead our team of Central Office Directors and School Level Administrators in the preparation of the budget presented before you. This process takes several months of analysis and evaluation of needs by each person responsible for managing a budget. Although more input can always be gathered from stakeholders, I am happy to report that input also was solicited from specific staff as well as parent ambassadors about what they too see as capital outlay and/or academic priorities respectively for Martin County Schools. The following help guide the process of preparing the 2021-2022 budget:

- The overall **current and future financial needs** of Martin County Schools and their impact on our students, teachers and staff, parents and community.
- The impact of external obligatory expenditures on Martin County Schools
- A detailed schedule of maintenance needs for all buildings and offices in Martin County Schools including the impact of the new Martin County Schools Innovation Campus and CTE Center.

### Current and Future Financial Needs

With the financial support from our Martin County Commissioners, Martin County Schools are able to maintain the day-to-day operations of the following buildings and offices:

- 9 schools currently occupying 8 school buildings
- One bus garage facility
- One maintenance/warehouse facility
- Several offices at the NC Telecenter
- Technology and CTE center (located at the NC Telecenter)
- Warehouse (located at the NC Telecenter)
- EC and Pre-K offices (located at the Telecenter)
- Office space for lease (located at the NC Telecenter)
- One Central Offices building (located at 300 N. Watts Street)
- One classroom building (The 'old library' located at 106 East Grace Street)

### External Expenditures

Martin County residents have access to a variety of schooling options in North Carolina and in the United States. Families who do not choose Martin County Schools as a partner in the education of their students can choose from a variety of face-to-face and virtual options including local and regional private schools, charter schools, specialized schools, and homeschooling. Opting not to attend school in Martin County Schools impacts Martin County financially.

It is imperative that we continue to work together and invest in Martin County Schools in order to be a strong educational alternative for students and families in the years to come.

The current expense budget presented for 2021-2022 includes \$ **910,000** for local charter school payments. Please keep in mind that this amount is an estimate as fluctuations in student enrollment during the year may impact this request. Similarly, payments to charter schools continue to represent the greatest single expenditure of current expense funds by the school district. This comes at a cost to public schools because we are not able to receive ADM funding for students not enrolled in Martin County Schools. Please see Figure 1 for an estimate of the ADM impact to Martin County Schools and other Public School Units in our region.

Fig 1 - The financial impact of charter and/or virtual school options to our region

The impact of not choosing Public Schools		
Bear Grass Charter	(407 ADM x \$10,632.00 per pupil)	\$4,327,224.00
Hobgood charter	(250 ADM x \$10,632.00 per pupil)	\$2,658,000.00
Home Schools	(166 ADM x \$10,632.00 per pupil)	<u>\$1,764,912.00</u>
		\$8,750,136.00

*The new MCS Innovation Campus*

As a result of the vision from prior Martin County Schools leaders, Martin County Schools Board of Education, and Martin County Commissioners, our community is about to witness the opening of the new **Martin County Schools Innovation Campus** (fall 2021). That is the official name of the new center which will house our most innovative CTE course offerings (Career and Technical Education). This new center also will double as a home to our K-12 STEAM Center (Science Technology Engineering Arts and Math). Martin County students of all ages will be able to experience STEAM curriculum and activities at the Innovation Campus.

Understandably, the new Innovation Campus comes with additional operational needs which range from energy consumption for heating and cooling, as well as security, maintenance, and day-to-day operations such as cleaning and managing the facility. Similarly, this budget also includes a few items that will allow our students to access innovative programs and curriculum at this new center including maker spaces, coding, robotics, mechatronics, arts, and sciences.

The center was designed to be accessible to outside organizations with classroom spaces that can be used after hours (pending prior approval of a facilities use agreement). Thus, the Innovation Campus is well on its way to function as a flagship building in Martin County, not only for Martin County Schools but for the businesses and industry in our region as well.

## **THE BUDGET**

### *Employment Factors*

Increases in salaries and benefit rates greatly affect the school system's budget. Retirement rates and health insurance costs continue to increase and are projected to be 22.80 % for retirement (up from 21.68 %) and \$6,580 for health insurance (up from 6,326). Please note that the budget presented for your consideration also anticipates a 3% salary increase. The figures are based on limited information received from Raleigh and could be different depending on the final state budget. Last but not certainly not least, we are asking for your support as we look to provide a small increase to our staff in the form of a \$ 300.00 increase to the local salary supplement for certified staff. This is in an effort to remain competitive with other surrounding counties as we are all in competition to attract and retain the most highly qualified teachers and staff.

### *Special Needs Expenditures*

Martin County Schools is charged with educating each and every child that walks through our doors. Many of our students require additional services and/or support in order to access their curriculum and have the opportunity to make progress in the school setting. In recent years, it has become increasingly more expensive for school systems to secure services and to provide some of the more specialized support that some of our students need during their formative school years. These related service areas include physical, mental, and emotional therapeutic services. The total cost of these services far surpasses the level of state and federal funds allocated to school districts. Additional services these funds support include speech therapy, audiological services, physical therapy, occupational therapy, services for visually impaired students, services for hearing impaired and deaf students, nursing services, psychological services, and assistants that are necessary to provide one-to-one aid to students, etc. This budget includes \$425,000.00 to supplement the state and federal funding sources received for the Exceptional Children program. The federal IDEA grant mandates that districts meet a maintenance of effort in providing local dollars to support the Exceptional Children program in order to continue receiving federal funds. Martin County Schools is extremely fortunate to have the support of our Martin County Commissioners for this local effort since it also directly impacts our state and federal funds.

### *Maintenance and Repair of Facilities*

The 2021-2022 capital outlay budget includes the following major improvement projects:

- Roof replacement for South Creek High School
- Roof replacement for Williamston Primary

- Replacing Instructional Technology in all schools

### The impact of COVID-19

Martin County Schools teachers, students, and families were the first to have experienced the impact of COVID-19 in the form of an immediate disruption of traditional teaching and learning over the last year. It has been 13 months since public schools were closed in an effort to stop the spread of COVID-19. We are extremely proud of our teachers, staff, students, parents and community who have been able to navigate to the best of their ability the COVID-19 mandates and subsequent limitations, and uncertainties that this pandemic has created. We are also very excited that we can begin to reopen our schools following the health guidelines as COVID-19 is still a real threat.

It is imperative that we remember that none of us had ever experienced a pandemic before. As such, we had to learn new ways to communicate, work, function, and operate daily. I feel that we have been good stewards of all emergency funds that were allocated to school systems for the purpose of additional cleaning and disinfecting supplies. I am also very proud to be in Martin County - a community that continues to work together to best serve the public. The coordination and cooperation between Martin County Schools, MTW Health Departments, Martin General Hospital, Martin County Sheriff, Police, and Fire Departments is exemplary. Last but not least, as public services, public schools, and other public offices and organizations begin to reopen, it is our hope that revenue, for example from fines and forfeitures begin to normalize for the benefit of the girls and boys, teachers and staff, parents and community of Martin County Schools.

Last and certainly not least, Martin County Schools is continuing to learn the numerous rules and regulations specific to the newly issued federal learning recovery monies. The NC Department of Public Instruction has issued numerous webinars and guidelines that apply to this type of funds. We are optimistic that we can maximize these funds in the best interest of the students, staff and community of Martin County.

### Local Budget Request

It is my distinct pleasure and honor to present for your consideration the Budget for the 2021 - 2022 school year in the amount of **\$7,252,980**. Of that budget, and with the utmost respect, we request the support of our County Commissioners to fund **\$6,544,045**. This amount essentially helps Martin County Schools as follows:

- To offset anticipated increases in salaries and benefits
- Support the new Martin County Schools Innovation Campus
- Directly assists many of our students and families who need specialized educational support services
- Provides the funding allocated for charter school enrollments

It is also with the utmost respect that I present for your consideration the Capital Outlay Budget in the amount of **\$1,357,731**. Of this budget, we request the County Commissioners to fund **\$805,451**. This budget reflects very important and needed projects

in the areas of instruction, security, technology, safety, and maintenance needs throughout the school district.

## CONCLUSION

It is my sincere belief that this budget sends a powerful message to our regional businesses and industry that Martin County is committed to developing the best prepared high school graduates who are ready to enter the workforce, continue their education, and/or serve our country. This budget represents a continued investment in the future of our school system and the economic development of our county and region. Similarly, this budget demonstrates a collective vision of commitment and success to the students, teachers and staff, parents and community of Martin County.

## ACKNOWLEDGMENTS

A budget of this magnitude is not created in a vacuum. Our sincere appreciation to Mr. James Bennett, County Manager and Mrs. Cindy Ange, Martin County Finance Director for meeting with Mrs. Karen Rogers and myself in February of 2021 in preparation for this budget. Thank you to our Martin County Commissioners for their ongoing support of Martin County Schools. Thank you to the members of the Martin County Schools Board of Education, for their leadership and support as they had the opportunity to evaluate this budget in March and April 2021. Thank you to everyone in Martin County Schools who participated directly and/or indirectly in the preparation of this budget. A special thank you to Mrs. Karen Rogerson, Finance Director for Martin County Schools, and to Mrs. Rogerson's team for the many hours beyond the normal workday that go into the preparation of the budget presented tonight for your consideration”.

## DISCUSSION

Chief Finance Officer Karen Rogerson reviewed the Expense Revenue budget line item by line item, and along with Superintendent Fonseca answered questions regarding those figures along the way. Superintendent Fonseca stated Martin County Schools was requesting from the County \$6,544,045 of the total budget of \$7,252,980.

Chief Finance Officer Karen Rogerson and Dr. Fonseca also reviewed the Martin County Schools Capital Outlay budget summary, which broke down the requests by school and department. The Capital Outlay budget amount requested from the County was \$805,451 of the total capital outlay budget of \$1,357,731.

County Commissioner/Vice Chairman Bonds asked how much emergency recovery money did the federal government project Martin County Schools would receive. CFO Rogerson replied the school had received a little over a million dollars ESSER I (Elementary and Secondary School Emergency Relief) monies and it was included in the current budget. Projected allotments but not guaranteed for ESSER II over 4 million and ESSER III over 9 million at the end of the year. The School has to establish a plan and NC DPI (Department of Public Instructions) would provide specific instructions on how the schools could use the funds before disbursing monies.

County Commissioner/Chairman Smith commented it was his understanding that with ARP (American Rescue Plan) monies, the federal government allotted the state certain amounts, where

the monies would be set aside for direct payments to local government entities such as the schools. The monies would not need to go through the state for approval to access the fund. Chairman Smith added he realized the federal government was still writing the rules as to how the monies may be spent.

CFO Rogerson explained it was different with the school. Federal funds pass through NC DPI then to the schools. Dr. Fonseca added receiving the funds was not so simple and was not a guarantee. Counties compete for the funds allocated for a specific purpose.

County Commissioner/Chairman Smith suggested the school system partner with neighboring counties on particular projects to obtain funding sources. County Commissioner/Chairman Smith stated the federal monies were not set up to compete. Adding, he would look at NC DPI to see how they were distributing monies.

Dr. Fonseca thanked County Commissioner/Chairman Smith for the suggestion. Stating, Martin County Schools presently have a very good relationship with Region I and meet regularly. The only crossing county lines he was aware of was teaching for exceptional children.

County Manager Bennett questioned if due to COVID-19, the school had funds left over for ADM, travel and things of that sort.

CFO Rogerson explained while there were monies left over for some travel, some meetings attended by Zoom required a registration fees. Travel included the delivery of home meals as well.

County Commissioner Ayers asked for a rough estimate on federal and state funding, extra monies received due to COVID-19. CFO Rogerson replied a little over one million dollars in federal funds. CFO Rogerson did not feel comfortable in quoting the amount of state funding received due to COVID-19 but would provide the figures later.

County Commissioner Ayers asked for a rough estimate on the decrease in expenses because of COVID-19. CFO Rogerson responded there were some savings with substitutes and travel. However, the school used buses for delivering meals. Also, social distancing on buses caused the use of more buses. A review was in the process.

County Commissioner Ayers stated he spoke to former County Manager Bone, who was to speak to the Superintendent about possible misuse of the school lunch program. County Commissioner Ayers spoke of receiving complaints and witnessing as well seemingly abuse of the school lunch program. County Commissioner Ayers stated he felt the food was going to people it was not intended for.

County Commissioner Ayers mentioned the unexpected increase in the School's proposed budget of 2.5%. It was his understanding from County Manager Bennett the budget request would be about the same as last year. Adding, it was a pretty big hit. The County's budget was running on fumes.

In answer to County Commissioner Ayers statement on the food deliver, Dr. Fonseca commented conversations had already began on how to best audit food services because the school wanted to

be good stewards on how best to account for those services. This was one of the first departments audited when he arrived in November.

Dr. Fonseca added that at the time of discussion of the budget with County Manager Bennett and Finance Officer Ange, there was no clear indication of the needs. The school system was just discovering the effects on COVID-19. Adding, major departments were operating as one due to budget cuts. Since November, he has been auditing reports. When he arrived, Dr. Fonseca stated there were eleven (11) assistant principal positions. Martin County Schools ADM count qualified for two (2) assistant principals. Dr. Fonseca stated due to some unexpected changes, the school was able to move some positions around to save money.

County Commissioners Gurganus and Biggs provided no comments. At 8:05 p.m., County Commissioner Gurganus excused himself due to a prior commitment.

County Commissioner/Chairman Smith asked that the School Board members not be offended because questions asked may seem to embarrass or to be derogatory. County Commissioner/Chairman Smith said he brags on the School Board and County's relationship throughout the state of North Carolina. We are all family in this together. We are here to support our children. To put the tools available to the best use.

Dr. Fonseca extended an invitation to the County Commissioners to attend the Innovative Campus tour of the new campus Thursday, May 20<sup>th</sup>, 2021 at 11:30 a.m. The tour would last about an hour.

County Commissioner/Chairman Smith suggested a MOA between Martin Community College and Martin County Schools to ensure that all Martin County children reap the benefits of the Innovation Campus and to utilize resources to the fullest by working together. Adding, MCC has certain certifications that the high school could not offer. In regards to emergency funds passing through NC DPI, County Commissioner/Chairman Smith encouraged the School Board to challenge the system.

On behalf of Martin County Schools, School Board Chair Council stated she appreciated the opportunity to present the FY 2021-2022 Budget to the Commissioners. County Commissioner/Chair Smith expressed his appreciation for the opportunity to work together.

In closing, School Board Chair Council called for a motion to adjourn. School Board Vice Chair Purvis MOTIONED to adjourn. School Board Member Heath SECONDED. The Board APPROVED the motion unanimously.

With nothing further to discuss, County Commissioner/Vice Chairman Bond made a MOTION to adjourn at 8:36 p.m., with a SECOND from County Commissioner Ayers. The Board APPROVED the motion unanimously.

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Ronnie Smith, Chairman

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Marion B. Thompson  
Deputy Clerk to the Board



