

A joint meeting of the  
Pitt County Board of Commissioners  
And the  
Pitt County Board of Education  
Budget Message and Education Compact Review  
7:00 p.m.  
May 15, 2001  
Pactolus Elementary School

MINUTES

**Commissioner present:**

David Hammond – Chairman  
Glenn Bown – Vice Chairman  
Tom Coulson – Commissioner  
Terry Shank – Commissioner  
Tom Johnson – Commissioner  
Beth Ward – Commissioner  
Eugene James – Commissioner  
Mark Owens – Commissioner

Absent Commissioner  
Randy Royal

**Pitt County Board of Education**

Michael Dixon – Chairman  
Jill Camnitz  
Don Carson  
Jack Collins  
Walter Gaskins  
Barbara Owens  
Sidney Scott  
Ephragm Smith  
Dick Tolmi

**Staff present**

Thomas B. Robinson – County Manager  
John Bulow – Assistant County Manager  
Melonie Bryan – Director of Financial Services  
Trish Staton – Administrative Assistant/Deputy Clerk  
Arlen Holt – PIO and Cable Coordinator  
JoAnne Borgdorff, County Attorney

**Call to Order**

Chairmen Hammond called the joint meeting to order.

**Invocation and Pledge**

Commissioner Ward provided the prayer. Chairman Hammond led the group in the pledge of Allegiance.

**Facility Tour**

Dr. John McKnight, Associate Superintendent for Administrative Services, introduced Mr. John Knox, Architect with Smith-Sinnett. Mr. Knox explained his plans to walk the group through the new construction area and advised of what they would see. Highlighted on the tour were the new administrative area, workrooms, music rooms and classroom additions. At the end of the tour, the group stopped in the newly constructed and newly occupied

kindergarten classroom where Ms. Winnie White, Kindergarten Teacher, addressed them. She spoke with the members of the two Boards about the difference in the learning environment in a mobile unit as compared to a “real” full-scale classroom and the impact of that difference on the attitudes and behaviors of students and their readiness for learning.

Ms. Carla Frinsko, Principal of Pactolus Elementary School, and her students were recognized for providing the pre-meeting entertainment. Ms. Frinsko introduced each of the students who had participated in playing the steel drums as well as their teacher, Ms. Laura O’Neal.

Superintendent of Pitt County Schools, Dr. Michael Priddy, indicated that within recent years, the County Commission had joined with the Board of Education in initiating eight new construction projects. He noted that three of those were completed and that others were in various stages with the last of those eight being the construction of the new high school. He stated that this addition to Pactolus Elementary was one of those projects and that its work was still in progress. Dr. Priddy emphasized that once the current projects are completed in the North Pitt Attendance Area, that all students north of the river would be taught in regular classroom spaces and that all mobile units would be removed. He remarked this was notable in that this would be the only attendance area for which he could say that was true.

Pitt County Board of Education Chairman, Michael Dixon, expressed regrets as having arrived late, as well as his appreciation for the opportunity for the two Boards to come together to meet and talk about joint priorities.

Chairman Dixon offered a statement in regard to the Education Compact, the guidelines provided therein for the County Commissioners to invest in public schools, and the clear expectations for improvement it provides for the Board of Education. Additionally, Chairman Dixon addressed the opening of the new high school and the work done by the Board of Education with Study Circles to gain input from the community on what it thought the High School Program of Study should be. He also shared the four principles that the Board of Education will use in developing the Student Assignment Plan to open the new high school and provide equitable programs for all six high schools in Pitt County.

### **Budget Message from Pitt County Board of Education**

Mr. Dick Tolmie, Chairman of the Board of Education’s Finance Committee, presented the Pitt County Board of Education budget request. In regard to the Budget Proposal, some of the points made by Mr. Tolmie were:

Board of Education is submitting a balanced budget.

Funding request being submitted to the Commissioners was held to the amount as agreed upon in the Education compact for the year.

School system needs are much greater than requested amount.

Some of the funding requested will assist Board in raising Student performance as reflected in the Compact agreement, such as funding for remediation programs which will help reduce the number of students retained and the number of drop outs.

This level of funding will not provide for some other instructional support that is greatly needed, such as: Literacy Collaborative is being expanded but current budget request will not cover materials needed to support the program.

Teacher supplement increase request is for ¼ of 1%. Board would have liked for that amount to be much more.

There will still be 140 mobile units from which teachers are teaching our students.

All supporting documentation and backup information were provided for Commissioners in the Blue Budget Book. The four-page handout reflects the most pertinent information and what is to be reviewed at this meeting.

- As indicated on first page of handout, revenue expected from Education Compact is shown at \$1.6M. Recognizing that was not going to be sufficient to balance the budget, the staff looked within areas for possible redirection. \$827,018 was identified to be redirected toward the Board’s priorities.

- Uncontrollable expenses demand a large percentage of the proposed request for new money including salary increases for locally-paid employees equivalent to that projected to be received by state-paid employees; 30% projected increase in hospitalization; projected increase in retirement and utility costs; and adjustments for increases in ADM allotments.
- Other expenses covered in the new money request include utilities, insurance, and personnel for the new Northwest Elementary School, and additions at Pactolus and G. R. Whitfield Schools.
- Requests recommended to be funded from individual departments --Educational Programs and Services, Human Resources, and Auxiliary Services – were reviewed. Mr. Tolmie highlighted those requests submitted and explained for each what the requested amount would cover.
- Requests submitted by individual departments that could not be recommended within this budget were also noted.

Questions from Commissioners included why the hospitalization increase was projected at 30% and why waste disposal was projected to increase by \$40,000. Another question addressed the salary supplement increase and whether or not principals, assistant principals and central office employees would be included in the category of “teachers.” Also asked was how the school system determines the reasons that teachers leave the system and whether or not a survey is conducted.

One Board of Education member commented on the low wages paid to classified employees; how important their jobs are to the system; and, that more money is needed to address the salaries of those individuals along with adjusting the supplements for teachers.

Other questions from Commissioners included what was covered in the second phase adjustment in salaries for classified employees; when the survey of exiting teachers was done, what was indicated as their main reason for leaving; what other school systems in eastern North Carolina pay in teacher supplements and how Pitt County compares; and, why student achievement was not being addressed at this meeting.

Dr. Priddy noted that the Education Compact agreement calls for two meetings each year; one in the fall to review achievement data as we did at our last meeting at the Hilton, and a second meeting in the spring to talk about the Commissioner’s commitment towards funding. He indicated, however, that the achievement data had been included on pages 14-18 in the Budget Book if needed for additional review.

One Commissioner added that he would have liked to receive the Budget Book earlier so that he could have already reviewed the information that was contained therein.

Mr. Tolmie concluded his report on the Budget by addressing the Capital Outlay Budget. He suggested that the major changes in what the Board of Commissioners would have seen in the past was an additional \$400,000 for technology and an additional \$2M to equip the new high school.

Several Commissioners commented on their excitement that funding had been included in the budget for technology.

Mr. Tom Robinson, County Manager, interjected that it had been suggested that this review of the Board of Education’s Budget Request take the place of the usual budget presentation in a Commissioners’ workshop session. He added that since a full review of the request for funding had been provided, any subsequent presentation would be redundant.

One Commissioner suggested that the Board of Education should project the total school construction needs that would be required to get rid of all 144 mobile units and present that construction plan as a challenge to the Commissioners.

Dr. Priddy reviewed the eight school construction projects, those completed and those yet to be completed and explained the funding sources for those projects. He stated that with the completion of the high school,

the resources for construction would be exhausted, and that the two Boards would need to come together and develop a new capital plan and either target another school bond referendum or identify some other means of accessing new capital revenue.

Mr. Robinson noted that several years ago the Board of Education had suggested that another new elementary school was needed and that school was originally included in the \$40M package. However, he stated that the prices for the new high school had come in higher than originally projected and the debt service schedule for repayment had been adjusted with the result being that there was a balance in that fund, but that the balance would not be sufficient to build another school.

Relative to that statement, Mr. Tolmie called to the attention of the Commissioners the last page in the four-page handout. He explained that the repayment of the existing debt service was reflected on that page along with the COP payments and State Bond funds. He stated that depending upon the interest rates, there would only be about \$6.8 M remaining in the funding package that could be applied toward any elementary or middle school.

In response to a question about projecting future needs, Dr. Priddy reiterated that the Budget on the table reflected an attempt by the Board of Education to live within the agreement as set forth in the Education Compact. He suggested further that the Board of Education would soon be opening a new high school, and having studied and analyzed the work from the Study Circles, would be using that information to develop a student assignment plan that would demand not only an equitable educational program for all high school students in the County but would ultimately also impact on the elementary and middle schools. He stated that once the Board of Education has made decisions about the high school student assignment plan and what it requires, and the elementary and middle school plan and what it requires, then a long-range construction plan could be designed and developed. He suggested that it would be about six-months premature to attempt to put something like that on the table right now.

One Commissioner commented that he wanted to lay to rest the rumors that the Education Compact was in jeopardy because that was not true. Another commented although she appreciated the attempts made by the Board to stay within the confines of the Compact to balance the budget, that the recommendation for  $\frac{1}{4}$  of 1% for the teacher supplement was frustrating and disappointing. The Superintendent responded that if the County found that it had additional available funds to offer that the Board of Education would gladly accept those and designate those specifically to be applied toward increasing the teacher supplement.

Another Commissioner stated that the true compensation for teachers comes from the state and the place to work to see those salaries raised with any significant impact was at the state level with the legislators. He offered that the supplement paid by the county is only an incentive. He indicated further that he would like time to study the information that was included in the Budget book given to the Commissioners by the Board of Education and would like to leave open the possibility that the Board of Commissioners could have the Finance Officer and Superintendent appear again before that Board.

One Board of Education member commented that some teachers are having to work second jobs to make a living.

A Commissioner asked a question about how many teachers are paid from local funds. In follow-up, she commended the Board of Education and the Superintendent on this Budget, and she suggested that in three years this was the first realistic budget request she had seen presented. She stated that the Board's efforts to look internally first for redirection were particularly noteworthy.

Dr. Priddy stated that he appreciated the opportunity to present the budget in this manner and appreciated the comments that had been offered around the table. He suggested that establishing a relationship of trust was important. He emphasized that there are many other instructional needs, personnel needs, and facility needs that the Board of Education could bring forward and say these are things that we need if we are going to perform at the level of expectations outlined in the Compact. At the same time, he stated, it is important to recognize the balance that exists between the two Boards and their respective responsibilities. He offered that outside of the other departments, with which the Commissioners are responsible for funding,

the Board of Education is a unique political entity elected as a distinct and separate body with separate responsibilities from those responsibilities of the Commissioners. He stated that it was the responsibility and obligation of the Board of Education to prepare and submit its Budget Request by the 15<sup>th</sup> of May, which was being accomplished by this meeting. He encouraged the Board of Commissioners to accept this meeting as the budget meeting for the Board of Education for this year.

In closing, he offered the following points for consideration:

- The teacher supplement is a critical variable; not so much in the amount that is paid over the long term, but in creating an attractive place to draw new teachers in as we compete with other districts for the same teachers.
- The teacher turnover rate is reflective of the large number of teachers we have retiring; not that we are losing teachers to other counties.
- In addition to the \$2.4M reflected on the first page of the handout, Commissioners should write in another \$1M in future costs for the new high school to cover utilities, insurance, and personnel to run that school. Given the level of funding outlined in the Education Compact, the Board of Education expenses will exceed its funding when that school is opened just in addressing uncontrollable costs.
- To improve and make progress, the two Boards will need to look together at what will be needed to enrich and expand services.

In response to a question, Dr. Priddy explained that the Pitt County Board of Education's Promotion Policy goes even further than the End-of-Grade Testing requirements mandated by the State, and requires all students to pass the End-of-Grade tests for promotion to the next grade in all grades three through twelve.

Mr. Tom Robinson offered that as related to testing and test scores, the two Boards would plan to meet again in the fall to receive a report on the school system's performance as related to those test scores. As to why the two Boards are meeting together for this meeting, he reminded the group that in its initial conception, the two Boards desired to improve ongoing communications and develop a better working relationship jointly agreeing on (1) what was needed in terms of achievement to put the County where everyone wanted it to be, and (2) how to fund those needs. The premise, he stated, was that by working together within a common framework, the two Boards would be able to accomplish more.

He stated that he, too, appreciated the Board of Education working to stay within the Compact Agreement, although, he noted that he did understand that the Board's needs are greater. He offered, however, that the needs of other departments within the County are great as well, and used, as an example, the budget needed to support the County's Emergency Medical Services department. He stated that the Board of Commissioners had made education its top priority. He referred the group to a handout that had been placed at the table and called attention to the column of figures representing the funding provided by the County to the Pitt County Schools over a period of years since 1993.

He shared that presently the County coffers are stretched to their limits, and he explained why it is that Pitt County does not have the tax base that other counties serving as a regional center would have. He stated that Pitt County's tax base is at 75 percent of the State average, explaining that six of the top 9 employers in the county are exempt from sales tax. He shared that projections indicate that Pitt County will continue to grow and that for every dollar paid in residential development, it will cost \$1.60 to \$1.70 to provide services to those homes. He stated that he offered this information to say simply that with the other obligations, it will be difficult for the County Commissioners to step up its level of funding.

Mr. Glenn Bowen offered closing comments. He reflected on the budget process shared by the two Boards over a number of years, and discussed the origin of the idea for the Education Compact. He expressed his pleasure with the progress that had been made with the two Boards since that time.

Chairman Michael Dixon expressed appreciation to Chairman Hammond and the members of the Board of Commissioners for their attendance, as well as Mr. Robinson, members of the Board of Education and its staff. He stated that it was obvious that all involved were interested in improving communications and collaboration between the two Boards and thereby improving the educational program in Pitt County. He

suggested that it would be wonderful if in the fall the two Boards could work together in building a long-range plan with a shared vision that would push the school system to the next needed level.

Chairman David Hammond closed by saying that he and Chairman Dixon had discussed the possibility of holding a Summit on Education in Pitt County in the fall and that at that meeting, the two Boards could come back together to look at all indicators.

There being no further business, the meeting was adjourned.

Respected Submitted by,

Patricia Staton  
Deputy Cleark