

**PERSON COUNTY BOARD OF COMMISSIONERS**

**APRIL 15, 2013**

**MEMBERS PRESENT**

**OTHERS PRESENT**

Jimmy B. Clayton  
Kyle W. Puryear - ABSENT  
B. Ray Jeffers  
Frances P. Blalock  
David Newell, Sr.

Heidi York, County Manager  
Brenda B. Reaves, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in recessed session on Monday, April 15, 2013 at 6:00 pm for the purpose of a special joint meeting with the Board of Education in the County Auditorium.

In attendance representing Person County was Chairman Clayton, Vice Chairman Jeffers and Commissioners Blalock and Newell. County Manager, Heidi York, Finance Director, Amy Wehrenberg and Clerk to the Board, Brenda Reaves were also present. Commissioner Puryear was absent.

In attendance representing the Board of Education was School Board Chairman, Gordon Powell, Vice-Chairman Margaret Bradsher and members Jimmy Wilkins, Freda Tillman and Jennifer Kafer. Superintendent, Dr. Larry Cartner, Executive Assistant and Clerk, Teresa Shotwell, Finance Officer, Kim McVey, and Executive Director for Human Resources & Operations, Dan Holloman were also present.

Chairman Clayton called the meeting to order, welcomed the group and led the group in a moment of silence and prayer for those affected by the Boston bombings.

**OVERVIEW OF THE PERSON COUNTY SCHOOLS' BUDGET REQUEST:**

School Board Chairman Powell stated the two governing boards have very different charges but the common ground centers around the county's children which provide an opportunity to discuss mutual goals and needs within the school system.

Dr. Larry Cartner, Superintendent for Person County Schools stated the Board of Education's priorities are 1) school safety and will support the Sheriff's request for additional School Resource Officers (SROs), 2) increase employee supplements as no increase has been given since 2006 and approximately \$1,000,000 in reductions have been made in the local budget prior to current draft.

Dr. Cartner stated 2013-2014 budget considerations included a 5% decrease in personnel due to the federal sequestration, a loss of \$276,000 in state allotment and a request of local funding to increase by 4.5%. Dr. Cartner based the funding levels on an ADM of 4,739 students noting a possible discretionary reversion may be required.

Dr. Cartner noted the charter school growth included eleven new schools with one of these a virtual in Durham County, two new schools in Orange County and two new schools in Granville. Dr. Cartner reminded the Board of Commissioners that the per pupil allotment follows the Person County student to the charter school that is attended whether in or out of the county.

Dr. Cartner, Finance Officer, Kim McVey, and Executive Director for Human Resources & Operations, Dan Holloman presented the Board of Commissioners with the Schools' 2013-2014 \$9,658,310 budget request which represented a 4.5% or \$415,966 increase over the current fiscal year funding level. The proposed increase was noted to be used in the following areas:

Personnel	+195,864	Projected benefit increases, overtime for teacher assistants plus two additional technology positions
Instruction	+ 45,000	Common Core initiative supplies
Technology	+ 19,500	1:1 initiative hardware/software
Operations	+46,294	Projected increases in worker's comp, unemployment & property/bond insurance and public utilities
	+99,600	Projected increase in charter school payments
Maintenance	+ 5,500	Projected increase with utilities
Custodial	+ 4,108	Projected increase with contract supplies
NC Wise	+100	Workshops

The budget request did not include the certified and non-certified supplement increase, the additional SROs or the \$1,001,900 for all capital and lottery projects.

Vice Chairman Jeffers asked Ms. McVey the balance of the schools' fund balance. Ms. McVey reported the undesignated portion of the Fund Balance is at \$791,000 as per their June 12, 2012 audit representing approximately 7-8% of their budget. County Manager, Heidi York commented that school districts across the state will typically retain up to 10% in their fund balance. Ms. York and Ms. McVey confirmed all monies in the schools' fund balance represent local funding. Dr. Cartner added that teacher's laptops will be replaced using a fund balance allocation split between this year and next year.

Commissioner Newell questioned the charter school settlement in FY2011-2012 which depleted \$800,000 from the schools' fund balance. School Board Chairman Powell stated the \$800,000 appropriation from fund balance was a result of the Sugar Creek legal settlement and the annual allotment totaled \$2,286,543. School Board Chairman Powell noted an unsettled amount remains with the legal case.

School Board Member Kafer stated the \$99,600 in additional charter school payments reflected 71 students at a \$1,400 per pupil rate.

Dr. Cartner and School Board Chairman Powell estimated 1,000 Person County students currently attend Roxboro Community School and Bethel Hill Charter School with 25 or less attending charter schools outside of Person County.

Commissioner Newell requested the School Board and staff provide a copy of the Central Office budget that was not included in the budget presentation. Dr. Cartner stated he would send along the requested data and told the group that local funding of the Central Office budget included two director positions, clerical positions, part of the Superintendent salary and maintenance positions.

Vice Chairman Jeffers asked why fund balance was not used for capital needs. School Board Member Wilkins stated they decided not to use fund balance so to retain at least one month of operating.

Vice Chairman Jeffers asked why the proposed supplement was not included in the budget request. School Board Member Wilkins stated the budget request represented what was a necessity to run the schools noting it would be wonderful if the Board of Commissioners would fund an increase for the school employees. School Board Chairman Powell added the supplement increase for certified employees and a first-time supplement for non-certified employees was requested as a way to retain good employees in Person County. Mr. Holloman commented the average turnover at Person County Schools is at approximately 17% mostly due to retirements noting some teachers will be enticed to leave for a higher supplement in another county. Mr. Holloman stated the average teacher salary package for 0-5 years is approximately \$38,000.

Commissioner Blalock asked if all furniture had been removed from the old Helena site noting there was furniture needs at Northern Middle School. Dr. Cartner stated all usable furniture had been removed from the old Helena site.

Mr. Holloman stated no school buses were due to be replaced however; the capital needs list has two aging activity buses that have many miles for replacement.

### **OVERVIEW OF CAPITAL PROJECTS FUNDING:**

County Manager Heidi York gave the group an overview of the Person County Capital Improvement Plan 2014-2018 that will be before the Board of Commissioners for adoption at their April 29, 2013 meeting. In particular, Ms. York gave the group an updated of the status of ongoing projects for FY2013 for the Public Schools as follows:

- **Exterior wall waterproofing at PHS (\$250,000)** – The waterproofing is 10% complete and will be finished during the summer of 2013.
- **Paving at Person High and Southern Middle (\$150,000)** – Expected completion is summer of 2013.
- **North End Elementary roofing (\$577,646)** – Bids will be received in April 2013.
- **Replacement of cooling tower at Person High (\$60,000)** – Bids have been received and are higher than expected.
- **Paving tracks at Person High and Southern Middle School (\$200,000)** – Expected completion is summer of 2013.
- **Southern Middle and Person High School roofing (\$3,082,538)** – Southern Middle School roofing is over 50% complete and should be completed by May 2013. Person High School roofing has not started, but is expected to be complete in fall of 2013. The re-roofing costs for these two schools were funded with loan proceeds, and include a 100% federal interest credit through an approved Qualified School Construction Bond (QSCB).

Ms. York presented to the group the CIP FY2014-2018 for the schools:

**Person County  
Capital Improvement Plan (CIP)  
2014-18  
Recommended - Funding Schedule**

<b>Sources of Revenue for Project Costs:</b>	<b>Current Year 2012-13</b>	<b>Budget Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>Planning Year 2017-18</b>	<b>TOTAL REVENUE SOURCES</b>
<b>Revenues:</b>							
County Contribution	987,646	658,721	1,053,911	488,061	918,978	822,714	4,930,031
Debt Proceeds - SMS & PHS re-roof (QSCB) <sup>(1)</sup>	3,132,538	-	-	-	-	-	3,132,538
Debt Proceeds - PHS remaining re-roof <sup>(2)</sup>	-	537,659	-	-	-	-	537,659
Debt Proceeds - Various schools re-roof <sup>(3)</sup>	-	-	-	-	1,449,261	-	1,449,261
<b>Total Sources of Revenue:</b>	<b>4,120,184</b>	<b>1,196,380</b>	<b>1,053,911</b>	<b>488,061</b>	<b>2,368,239</b>	<b>822,714</b>	<b>10,049,489</b>
<b>Project Costs for Public Schools:</b>	<b>Current Year 2012-13</b>	<b>Budget Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>Planning Year 2017-18</b>	<b>TOTAL PROJECT COSTS</b>
<b>Public Schools:</b>							
SMS & PHS Roofing-Issuance Costs	50,000	-	-	-	-	-	50,000
Replacement of cooling tower-PHS	60,000	-	-	-	-	-	60,000
Replace tracks-PHS & SMS	200,000	-	-	-	-	-	200,000
Paving-PHS & South Elem	150,000	-	-	-	-	-	150,000
New roof-PHS	568,816	537,659	-	-	46,158	-	1,152,633
New roof-Early Intervention	-	180,999	-	-	-	-	180,999
Window replacements-Oak Lane Elementary	-	178,600	-	-	-	-	178,600
Security equipment at all schools	-	99,122	-	-	-	-	99,122
New roof-Earl Bradsher	-	-	563,411	-	-	-	563,411
Window replacements-Woodland	-	-	180,500	-	-	-	180,500
Fire alarm replacement-NMS	-	-	135,000	-	-	-	135,000
Fire alarm replacement-SMS	-	-	175,000	-	-	-	175,000
New roof-VFW	-	-	-	69,781	-	-	69,781
Window replacements-North End Elementary	-	-	-	176,280	-	-	176,280
Asphalt replacement in bus parking lot-PHS	-	-	-	80,000	-	-	80,000
Replace HVAC controllers (at 10 schools)	-	-	-	97,000	-	-	97,000
Replace rooftop units-NMS (1 unit per year)	-	-	-	65,000	67,500	70,000	202,500
New roof-School Maintenance	-	-	-	-	284,164	-	284,164
New roof-South Elementary	-	-	-	-	290,664	-	290,664
New roof-North End	577,646	-	-	-	215,686	-	793,332
New roof-Oak Lane	-	-	-	-	244,706	-	244,706
New roof-North Elementary	-	-	-	-	258,858	-	258,858
New roof-Woodland	-	-	-	-	155,183	-	155,183
Window replacements-Earl Bradsher	-	-	-	-	233,440	-	233,440
Window replacements-South Elementary	-	-	-	-	161,880	-	161,880
New roof-Southern Middle School	2,513,722	-	-	-	-	53,074	2,566,796
Window replacements-North Elementary	-	-	-	-	-	168,840	168,840
Window replacements-PHS	-	-	-	-	-	320,800	320,800
Set -asides for future projects	-	200,000	-	-	410,000	210,000	820,000
<b>Total Public Schools Project Costs:</b>	<b>4,120,184</b>	<b>1,196,380</b>	<b>1,053,911</b>	<b>488,061</b>	<b>2,368,239</b>	<b>822,714</b>	<b>10,049,489</b>
<b>Debt Service Impact from School Capital:</b>	<b>Current Year 2012-13</b>	<b>Budget Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>Planning Year 2017-18</b>	<b>TOTAL OPERATING IMPACTS</b>
Debt Proceeds - SMS & PHS re-roof (QSCB) <sup>(1)</sup>	104,418	208,836	208,836	208,836	208,836	208,836	1,148,598
Debt Proceeds - PHS remaining re-roof <sup>(2)</sup>	-	21,300	42,600	85,200	21,300	21,300	191,700
Debt Proceeds - Various schools re-roof <sup>(3)</sup>	-	-	-	-	73,548	136,200	209,748
<b>Total Debt Service Impact Costs</b>	<b>104,418</b>	<b>230,136</b>	<b>251,436</b>	<b>294,036</b>	<b>303,684</b>	<b>366,336</b>	<b>1,550,046</b>

April 15, 2013

**Person County  
Capital Improvement Plan (CIP)  
2014-18  
Recommended - Funding Schedule**

**Note: Items highlighted in blue are projects associated with a debt financing.**

**2012-13 School Roofing Project (QSCB financing)**

Due to the approval by the Department of Public Instruction of a \$3.1M Qualified School Construction Bond ("QSCB") issuance in April 2012, the total re-roofing construction of Southern Middle School and a portion of re-roofing for Person High School was approved by the Board in FY 2013. The total QSCB borrowing amount was \$3,132,538. The QSCB offers a 100% interest credit as part of its structure.

**2013-14 Recreation and Senior Center Construction and Various Roofing Projects**

It is recommended to do an installment financing to capture the cost of the recently revised Recreation and Senior Center Project along with the re-roofing of the Huck Sansbury Complex, the Kirby and the rest of Person High School. The engineering contract for the Recreation and Senior Center has been approved for \$300,000 and is currently in process. The engineering study for the roofs has already been completed as part of the latest Roofing Study. The total proposed borrowing for these projects is \$5,050,000.

**2016-17 Old Helena School Improvements & Various Roofing Projects**

A debt borrowing is proposed to cover various improvements to Old Helena School and re-roofing projects for the County, PCC and Schools. (Note: A decision will need to be made with respect to the designated use of the Old Helena School to clarify what other improvements may be required to fulfill the needs of the new occupant(s).) This Old Helena improvements are estimated at \$2,598,548 and nine re-roofing projects (2-County, 1-PCC, and 6-Schools) for \$2,721,452. The total proposed borrowing for these projects is estimated to be \$5,320,000.

**Designated funds for subsequent years: Funds set aside and designated for a future project**

<b>Project Description for Designated Funds:</b>	<b>Current Year 2012-13</b>	<b>Budget Year 2013-14</b>	<b>Planning Year 2014-15</b>	<b>Planning Year 2015-16</b>	<b>Planning Year 2016-17</b>	<b>Planning Year 2017-18</b>	<b>TOTAL SET-ASIDES</b>
<b>Public Schools:</b>							
New roof-Earl Bradsher Pre-School	-	200,000	-	-	-	-	200,000
New roof-Oak Lane Elementary	-	-	-	-	100,000	100,000	200,000
New roof-Woodland Elementary	-	-	-	-	110,000	110,000	220,000
Window replacements-PHS	-	-	-	-	200,000	-	200,000
<b>Total Designated Public Schools Costs:</b>	-	200,000	-	-	410,000	210,000	820,000

Ms. York illustrated the Recommended CIP FY2014-2018 by function as below:

Education – Schools	41.2%
General Government	29.1%
Culture & Recreation	19.8%
Transportation (Airport)	4.7%
Education – PCC	4.3%
Public Safety	0.7%
Economic Development	0.2%
Total	100%

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Ms. York announced to the group that a potential Golden Leaf grant to help fund the school's laptop program in the amount of \$200,000 looked promising.

Ms. York stated she was recommending set aside funds in the budget in the amount of \$14,000 to develop a grant program through which schools could earn additional resources by increasing recycling.

Vice Chairman Jeffers asked if the future lottery funds could be used for school debt. Dr. Cartner stated lottery funds are requested as a part of the budget package under 2013-20014 Capital Requests at \$305,000.

Ms. York confirmed the Person County School's request for school security equipment in the amount of \$99,122 was included in next year's CIP to be fully funded and available in July based on Board approval.

The group discussed the request for placing additional SROs in the schools to which Sheriff Dewey Jones made comments. Ms. York stated the additional SRO positions are not in the schools' request as the positions would be added to the Sheriff's personnel budget. Ms. York added the schools are currently funding ten months' salary and benefits for two of the six SROs. Sheriff Jones stated there is one SRO at each of the middle schools and three at Person High School and a DARE/GREAT officer dedicated to programming at all the elementary schools. Sheriff Jones stated he would need eight additional officers to place one at each school in the district noting if four additional officers were dedicated, then each would split time between two schools. Sheriff Jones explained the specialized training required for a SRO to interact with school personnel and students requiring a seasoned officer.

Commissioner Blalock stated consideration that issues may arise on the school bus; School Board Vice Chairman Bradsher stated any large group activity at school or the community could be at risk of an emergency situation.

School Board Chairman Powell suggested a Task Force, consisting of all involved from law enforcement to school personnel, be created to prepare for a potential emergency situation. Sheriff Jones stated the Local Emergency Planning Committee (LEPC) has been revamped to plan for such situations noting group training would be of benefit to all county partners. Ms. York stated she would forward a meeting schedule to the School Board Chairman.

Commissioner Blalock inquired if the school facilities had opportunities for additional revenue for other related activities. School Board Vice Chairman Bradsher stated the facilities are being used all seasons for school related activities.

Dr. Cartner told the group the Alternative School construction is 70% complete with the move planned during the summer. Dr. Cartner noted the Alternative School has one director position, four teachers and two assistants on staff and serves an average of 30 to 50 students daily with a capacity of 80 students.

**RECESS:**

A **motion** was made by Vice Chairman Jeffers, and **carried 4-0** to recess the meeting at 7:53 p.m. until April 29, 2013 at 6:30 p.m. for a Community Conversations Meeting to be held at the Bushy Fork Grange Hall located at 7854 Burlington Road, Hurdle Mills.

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Brenda B. Reaves  
Clerk to the Board

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Jimmy B. Clayton  
Chairman

**April 15, 2013**