

**MINUTES**  
**TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS AND BOARD OF**  
**EDUCATION JOINT MEETING**  
**March 8, 2007- Morris Education Center**  
**7:00 p.m.**

The Transylvania County Board of Commissioners met in joint session with the Board of Education on March 8, 2007 at 7:00 p.m. at the Morris Education Center.

Commissioners present: Lynn Bullock, Chairman Jason Chappell, David Guice, Daryle Hogsed and Vice-Chairman Kelvin Phillips.

Board of Education members present: Bill Cathey, Chairman Teresa McCall, Jenni Pogue, Mike Rogers, Chris Whitmire

Staff present: Manager Artie Wilson, Finance Director Gay Poor, Attorney Jeanne Hall and Clerk to the Board Trisha McLeod.

School Staff present: Norris Barger, Jenny Hunter and Doctor Sonna Lyda.

Media: *Hendersonville News*: Scott Parrott  
*Transylvania Times*: Kim MacQueen

There were approximately 10 people in the audience.

**WELCOME/CALL TO ORDER**

Chairman Chappell called the Board of Commissioners' meeting to order. He welcomed everyone to the meeting.

Chairman Teresa McCall called the Board of Education meeting to order. She welcomed everyone to the meeting. She noted that this meeting is a business meeting and no action would be taken.

**INVOCATION**

Board of Education member Mike Rogers offered the invocation.

**PLEDGE OF ALLEGIANCE**

Commissioner Phillips led the Pledge of Allegiance.

**OPENING REMARKS**

Chairman Chappell said he hopes this will be a productive meeting and that the Commissioners hope to learn more about the school system's needs.

Chairman McCall stated the purpose of the joint meeting is for the two boards to have discussions about what is best for the students of Transylvania County. She briefly explained the agenda items for the meeting.

## **BUSINESS ITEMS**

### FY08 CURRENT EXPENSE BUDGET

Chairman McCall explained some of the items listed on the FY08 Budget Needs list.

(#1) Teacher supplements to 6.80%: Chairman McCall said this is an ongoing effort by the Board of Education and the County to have competitive salaries with other counties and states.

(#2) Medical reimbursement plan: The Board of Education has been looking for incentives to attract and retain teachers. In this plan, \$300 is allotted for each employee for medical reimbursement. Chairman McCall noted that the plan benefits every employee including the lower paid employees and it is an innovative way to reward them for their service.

(#3) Local COLA increase: This falls in line with the state increases and what is recommended in the Governor's budget.

(#13) Hazardous chemical removal: Chairman McCall stated that this is an unfunded mandate. The Board of Education recently had to submit a Hazardous Chemical Removal Plan to the state. There are chemicals that will have to be removed but the cost of the removal is unknown at this time.

Chairman McCall opened the floor for discussion.

Mr. Cathey asked if they were going to discuss their projections for teacher supplements. Chairman McCall responded saying information has been provided to the Commissioners tonight showing their projections for teacher supplements through Fiscal Year 2013. She noted that this year's increase would be \$105,600. Their goal is to increase teacher supplements over the next 5 years to 9% to be more in line with the state average. Mr. Whitmire stated that compared to neighboring counties, Transylvania County ranks at the bottom as it relates to teacher supplements.

Mrs. Pogue said the new curriculum being proposed by the State is going to require changes in staff. She stated the entire state will be facing the same challenges and will be competing for teachers. She believes it will become increasingly difficult to attract and retain teachers. Mr. Cathey thanked for the Commissioners for funding the teacher supplements to help keep quality teachers in Transylvania County.

Mr. Rogers echoed Mr. Cathey's comments regarding the teacher supplements and thanked the Board of Commissioners for their support. He added that the Title XX item (#14) on the FY08 Budget Needs list is a Federal Program that supports after-school

programs in the County which are vital and important to working parents in the community.

Chairman McCall stated that Transylvania County does not receive any Low Wealth funding normally given to smaller schools. She said there is a belief that Transylvania County should be able to support its needs. She added that surrounding counties, such as Cherokee County, which is similar in size to Transylvania County, receives this funding. She turned the meeting over to the Chairman Chappell.

Chairman Chappell echoed Chairman McCall's comments about Low Wealth funding. He said he has had discussion with our representatives about this issue but there seems to be some hesitation on their part. He asked if Transylvania County was ahead of Henderson County as it relates to teacher supplements. Dr. Lyda responded saying that in past years Transylvania County has been ahead of Henderson County, but they have now surpassed us. The Manager stated that figures on the Department of Public Instruction website show Transylvania being ahead of Henderson County, but behind Buncombe County. He reported that the website indicates Henderson County's teacher supplement is \$2,042 per teacher, while Transylvania County's is \$2,741 per teacher for FY 06-07. Dr. Lyda said the Board of Education did not have that information. Chairman McCall said for the purpose of this discussion, the Board of Education will use the numbers they have until they can confirm what the Manager has reported. Commissioner Guice said it makes it difficult to have a discussion when both boards do not have the same information. He stated the Board of Education has information showing Transylvania County is below other counties in teacher supplements and the Commissioners have a current report that reflects otherwise. Chairman McCall stated that there has not been an effort to keep any information from anyone but the Manager has produced different numbers and so for the purpose of this discussion tonight, she will use the numbers the Board of Education has until they can verify otherwise. Chairman Chappell added that it is important for both boards to have the same information.

Chairman Chappell asked for clarification on the Hazardous Chemical Removal item in the budget needs list. Chairman McCall responded saying this is a new item. They were required to complete and submit to the State a Hazardous Chemical Removal Plan. They have not been instructed on how to remove and dispose of any chemicals and they hope the costs will be minimal.

Chairman Chappell asked the Board of Education to elaborate on the possible changes to the curriculum. Chairman McCall stated the new curriculum will be effective in 2009. All students will be required to complete the same courses of study, which includes 2 years of Foreign Language and a fourth Math. She said if the state continues down this path, they may need more teachers in one area and less in another. She added that the State Board of Education and the Governor are not listening to the teachers doing the work. Mr. Whitmire added that they currently do not have the Staff to teach 2 years of Foreign Language to every student. He also said that every student can't and shouldn't take an Algebra II or an Advanced Math class, so the schools may be forced to create another math. He stated that the schools are going to have to provide more options to the

students, otherwise students may be driven to the point of frustration and not get anything out of school. Mrs. Pogue added that the curriculum places more emphasis on specialized teachers which really limits of the number of teachers.

The Manager stated that the funding of a School Resource Officer (SRO) for middle schools has been proposed in the Governor's budget which will give the County the ability to use the funds it normally sets aside for this position differently.

Commissioner Guice asked the Manager if the County offered FSA's to County employees. The Manager said employees can contribute to an FSA but there are no contributions from the County. Commissioner Guice asked the Board of Education if their employees have the flexibility of using the money in a variety of ways, not just for medical purposes. Chairman McCall responded saying the FSA's are mainly used for medical purposes, but can also be used for purchasing Over-the-Counter medications and meeting deductibles.

Mr. Rogers addressed some of the concerns about the proposed core curriculum. He said the State is going to move forward with the new default curriculum but it is their hopes that they will give the schools time to prepare. He added there is a Board of Education meeting in Asheville on March 22<sup>nd</sup>, 2007 and he hopes they will have more information then.

Commissioner Guice stated that the original goal was to bring teacher supplements up to a respectable level and he feels the County has accomplished that goal but now it appears that the Board of Education is asking the County to do more. Chairman McCall said the expectation is to continue indefinitely to keep the supplements competitive with surrounding counties. Mr. Rogers added that their goal is to keep teacher supplements at the state average in order to remain competitive.

Mr. Cathey asked for some explanation about the item of State Discretionary Cuts (#12) on the FY08 Budget Needs List. Chairman McCall said this item could change because it is not in the Governor's budget.

Commissioner Guice asked if the Coaching Supplement Step Increase (#9) item is a carryover from last year. Chairman McCall responded saying it is not a carryover and it is the same request they made last year.

#### CENTRAL OFFICE FACILITY

Chairman McCall said a couple of years ago the Board of Commissioners asked them to include the costs of repairing and renovating the Education Center in their capital budget. She said this will be in the capital budget as a separate request rather than it becoming a part of the needs for the schools and classrooms, etc. She asked for direction from the Board of Commissioners. Chairman Chappell said he feels like the Board of Commissioners is in no position to give any direction at this time. Mr. Cathey added that the Board of Education would like the Commissioners to think about this issue because something has to be done with the building.

Commissioner Guice asked if their needs had changed as far as the square footage, etc. from the information they had provided a few years ago. Dr. Lyda said their needs had not changed. Chairman Chappell said it would be helpful to have information on their specific space needs and asked the Board of Education to provide some cost comparisons. Commissioner Bullock asked if they had looked at any property that may be available or the costs of building another structure. Dr. Lyda said that, in a proposal to former Congressman Charles Taylor, they had requested assistance in the amount of \$2 million. She also said they had looked at a corner location at Brevard Middle School that might be suitable. Commissioner Guice added that the Board of Commissioners needs information on their square footage needs, what Staff is located in the building and what their functions are. He stated that the project is going to be an expensive proposition and they need to include some contingency funds in their request. Chairman McCall said they are at a crossroads with either to renovate the Education Center or plan for another facility but either way the Education Center is in need of repair. She added that the Education Center is on the local historical register which complicates renovation decisions.

Commissioner Guice stated that he likes the idea of this need being a separate capital request so that no one feels as though they are taking away from the needs of the students. The Board of Education will provide the Commissioners with additional information and then move forward from there.

#### FY08 CAPITAL OUTLAY BUDGET

Chairman McCall stated the capital budget has not been finalized. She said they are getting requests from schools and some of those requests will be included in the budget and others will not. She assured the Commissioners that they will get a prioritized list of the School System's needs for FY08 plus their capital projections for 5 years.

Chairman Chappell asked their timeline on getting the numbers. Dr. Lyda said they would have better information after their meeting on the 19<sup>th</sup> but they will not have the final request at that time. Chairman Chappell asked if they could discuss some their specific requests. Dr. Lyda responded saying they will need to replace some bathroom tile at Brevard Elementary, refinish some gym floors, replace flat roofs at Rosman High and the Vocational Services building at Brevard High, and work on some parking areas. Chairman McCall added that the draft document and the final document will be completely different from each other and will be presented as a prioritized 5 year plan.

Commissioner Phillips stated that capital spending has been erratic over the last several years and wondered if both boards could agree on an annual funding amount for capital spending. Chairman McCall said she would be happy to have any discussion for both Boards' benefit and at the same time address the needs of the schools and benefit the County. Commissioner Guice concurred with Commissioner Phillips and said that the County and the Board of Education have been doing something similar to this but maybe the process could be fine tuned. He added that it is very difficult to know some of the changes that may occur during the year. Chairman McCall said she is willing to entertain discussion and find something agreeable to both boards but she doesn't want to be locked into a number. She suggested scheduling another joint meeting after Spring Break to

discuss capital needs, current expenses, the Education Center, Commissioner Phillips' suggestions, etc. Both Boards tentatively scheduled another joint meeting for Tuesday, April 3, 2007 at 7:00 p.m.

Commissioner Guice asked what effects the new curriculum will have on the vocational program. He said a lot of young people are planning for the future and he is concerned that the new curriculum may push them out of the school system. Mr. Cathey said that is what the Board of Education has been communicating to the State. Dr. Lyda said the goal of the State Board of Education is to prepare kids for the 21<sup>st</sup> Century. Under the proposed plan students will have to graduate with an endorsement. The endorsement can be in CTE, AP, Arts, or Foreign Language, etc. but all students will be required to take 2 years of Foreign Language and a fourth Math. Mr. Whitmire noted that some of the sponsors of the new curriculum are Adobe, Dell, McGraw-Hill and Texas Instruments. Chairman McCall stated that some students will do well with the new curriculum and others will not. She said need students have different talents which can not be served with one curriculum.

#### LOTTERY PROCEEDS

Chairman McCall stated the lottery proceeds should not be considered in this discussion because the Board of Education does not know the amount of funding Transylvania County will receive. She stated they are currently identifying projects for when the funds are available. She added that the Board of Education has no plans to request lottery monies in the current Fiscal Year. She stated that the intent of the lottery is to enhance schools' capital needs, not to replace one need for the other and the money should not be spent without some planning and identifying specific projects and needs that enhance schools.

Chairman Chappell asked if the lottery proceeds could only be used for new capital projects. Chairman McCall said the funds can be used for renovations or for debt service if the debt was incurred no earlier than 2003. Mr. Rogers added that the funds can not be used for technology. Mr. Whitmire clarified that capital improvements encompass a large scope. Chairman McCall said the Board of Education has received guidelines from the State on how to use lottery proceeds and how to initiate requests for funding from the County. She added that formal requests require the signatures of the Chairman of the Board of Education and the Chairman of the Board of Commissioners. Commissioner Guice asked the Board of Education for copies of those guidelines to help the Commissioners better understand the process.

Commissioner Phillips said he supports the Board of Education's views on planning and identifying specific projects before spending the lottery proceeds. Mr. Whitmire said that the guidelines indicate there must be a backup source of funding in case the lottery proceeds are not available. Chairman McCall said there is a lot of uncertainty as it relates to the lottery proceeds which is the reason the Board of Education felt it was important to begin looking at projects that may be appropriate when the money is available.

She added that the Art Gallery proposal is an attractive project. In the past, these projects have been funded based on pledges and commitments but felt short of those pledges and commitments. The Board of Education is on record saying they plan to provide matching funds to come from the lottery proceeds. Mrs. Pogue said the Community thinks an Art Gallery is important. Mr. Cathey added that with many kids an art is on par with band or athletics and he thinks this is a project that will be well worth the time and money. Chairman Chappell clarified that the Board of Education's intent is not to spend any lottery funds this Fiscal Year. Chairman McCall responded saying not unless fundraising is complete and the money is available. She added that art will be a requirement in the new core curriculum.

Chairman Chappell said the estimated lottery funds were included in the County's budget message. The Manager stated that the County was instructed by the NCACC to budget lottery funds like ADM funds which are used for debt service or not include the lottery funds at all. The School System's budget increased significantly from the previous year and the lottery funds were used to help balance the budget. The \$288,000 allotted from the lottery has already been included in the budget for the capital expenditures for Fiscal Year 2007. The Manager stated the County will either have a shortfall of \$288,000 or capital spending for the School System will have to be reduced by the same amount. He said this is a real concern for the County.

Chairman McCall said she was not aware that the lottery funds were budgeted in this manner. She said there has been some discussion about legislation being introduced indicating that Counties could not supplant these funds. She said the intent of the lottery was to enhance education, not to replace funds that have already been budgeted. Commissioner Guice said the County would not have arbitrarily budgeted the lottery funds in this manner and both boards need to work together to resolve this issue. Chairman Chappell said it is important that both boards understand how the lottery funds are to be budgeted. Mr. Cathey said he would like to have known how the County was planning to budget the lottery funds. Commissioner Guice stated that the budget message is public document. Mr. Rogers said he understands the County's concerns but it was never communicated to the School System that the County was allotting \$288,000 in the budget from the lottery funds. He said those funds are not supposed to be supplanted. The Manager added that when the final documents were prepared regarding the lottery, the language in reference to supplanting funds was removed. Commissioner Phillips said it would be wise to not count on the lottery money at all. Commissioner Guice concurred with Commissioner Phillips and added that the State needs to give clearer direction on how to budget these funds.

Mrs. Pogue said if the funds were already budgeted by the Board of Commissioners, then the lottery is no longer the Education Lottery but rather funds to help the County. Commissioner Bullock concurred with Mrs. Pogue. He stated if the lottery funds were budgeted as part of their capital spending, then the lottery has not enhanced the schools in any way. Chairman McCall added that the Board of Education has to submit an application to identify the projects to be considered.

Commissioner Bullock asked if building the field house at Rosman High School or the emergency repairs at Brevard High School qualified to use lottery proceeds. Chairman McCall said if those projects needed to be completed now, then the lottery proceeds could be used.

The Manager said according to the NCACC those projects would qualify. Chairman McCall said she disagreed since those projects have been completed and were already funded. Mr. Barger added that the guidelines indicate that public school construction projects originally funded from revenue sources other than lottery revenues transferred to public schools in the capital funds must be completed from those original revenue sources.

The Manager responded saying he can only speak to the information received from the NCACC. He added the he specifically asked the NCACC if the County could be reimbursed for an emergency project and the NCACC's response was yes. He said he is not insinuating that the Board of Education would approve this but the NCACC said this would be an acceptable project that would qualify to use the lottery proceeds.

Chairman McCall said both Boards need to have more information to be able to comfortably move forward. She said the Board of Education plans to present a cost-efficient budget to the Board of Commissioners with the expectation that none of those projects will be funded by lottery proceeds.

### **CLOSING COMMENTS**

Chairman McCall thanked both Boards for their willingness to have a dialogue. She said she has enjoyed having a great relationship with the Board of Commissioners and that other counties are not as fortunate. The Board of Education will work with the County as they look at their needs.

Chairman Chappell concurred with Chairman McCall. He thanked the Board of Education for allowing the Commissioners to meet with them to discuss their needs.

### **ADJOURN**

Mrs. Pogue moved to adjourn the Board of Education meeting, seconded by Mr. Whitmire and unanimously carried.

Commissioner Phillips moved to adjourn the Board of Commissioners meeting, seconded by Commissioner Bullock and unanimously carried.

The meeting adjourned at 9:25 p.m.



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Jason R. Chappell, Chairman  
Board of County Commissioners

ATTEST:

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Trisha D. McLeod  
Clerk to the Board