

MONDAY, JUNE 29, 2015 – 6:30 p.m.

The Pender County Board of Commissioners met in a Special Joint Meeting with the Pender County Board of Education on Monday, June 29, 2015 at the Commissioner's Public Assembly Room, 805 S. Walker St., Burgaw, NC 28425.

MEMBERS PRESENT: Chairman David Williams, presiding; Vice-Chairman George Brown; Commissioners Fred McCoy, David Piepmeyer, and Demetrice Keith.

OTHERS PRESENT: Former N.C. Supreme Court justice Willis Whichard, Mediator; Randell Woodruff, County Manager; Trey Thurman, County Attorney; Melissa Pedersen, Clerk to the Board; Sylvia Blinson, Interim Finance Director; Dr. Terri Cobb, Schools Superintendent; Karen Rouse, BOE Chairperson; BOE Vice-Chairman Brad George; BOE Members Katherine Herring and Kenneth Lanier; Betsy Chestnut, Chief Financial Officer for Pender County Schools; Richard A. Schwartz, BOE Attorney; and other staff and members of the Press and public.

The meeting convened at 6:44 p.m.

Mr. Whichard began the meeting reviewing the statute regarding the process of mediation, arbitration, and fees. Mr. Whichard added that nothing spoken through the mediation process is admissible in court. He closed by telling a brief story to both boards that relates to mediation.

At 6:55, Mr. Richard Schwartz introduced himself and explained the process of mediation and what would happen should a resolution not be reached through mediation. He began his presentation by thanking the Board of Commissioners for passing a budget to include the School Bonds.

Mr. Schwartz stated that the Board of Education is not asking for an additional tax increase. He then explained the size of Pender County Schools as it relates to students, building size, employees, meals served, and busses on the roads. Student performance was also reviewed and compared to where Pender County Schools related to statewide statistics. Mr. Schwartz then continued by explaining the growth of student numbers in the school system. The presentation then moved to state mandates for schools that are not funded or underfunded including pending state allotments. Lottery funds and financial challenges were also discussed. Mr. Schwartz argued that Pender County's Per Pupil Spending continues to decrease. He then broke down and explained where the request for added funding would go.

Positions requested are:

- 1 IT person
- 1 Middle School Director
- 4 Teachers
- ½ Funding for JROTC instructor at Heide Trask High
- 2 JROTC Instructors for Topsail High
- 2 Maintenance staff

Funding is also being requested

- Professional Development
- Drivers Education
- Water and Sewer
- Building and Vehicle Insurance

Mr. Schwartz then discussed the Capital Outlay needs. He broke down the Capital Outlay requests one by one.

- Mobile Classrooms and Shingle Replacement
- Security System at Heide Trask High
- Paving and Walkways
- JROTC Building at Topsail High
- Security System Upgrades
- Replacement of Technology Equipment
- Purchase Computer Hardware
- 1 Yellow School bus
- 2 White Activity Busses
- 2 Maintenance Vehicles
- 2 Drivers Education Vehicles

After discussing the requests from the Board of Education, Mr. Schwartz then explained places that he felt the money could come from to fund Pender County Schools without a tax increase. Those suggestions were:

- Fund Balance
- Debt Service Savings
- Actual Revenues that Exceed Budgeted Revenues

Mr. Schwartz explained his findings for each option. Following his argument as to where funding could come from without a tax increase, he explained what the Board of Education plans to resolve through the mediation process. These things included a schedule to sell new school bonds, money now to secure land for new school facilities, and money for Architecture and Engineering fees to develop new school designs and drawings. Mr. Schwartz ended his presentation by asking that both Boards work together to come to a resolution.

Mr. Whichard asked Mr. Thurman if the County was ready to make comments on the School Boards proposal. Mr. Thurman stated that budgeting with imaginary money is illegal. Mr. Thurman further stated that revenues and expenditures have to match in the budget. Mr. Williams thanked Mr. Schwartz for his time and added that Pender County did not cut when everyone else was cutting budgets. Mr. Williams stated that the Board of Commissioners would like a chance to respond, but asked that the Board would have a chance to review the information and respond. Mr. Whichard stated that the requirements for the statute have been met by this meeting tonight. Mr. Schwartz recommended breaking into work groups which is done in private. These groups consist of the Chair from each Board, Superintendent/County Manager,

Finance Officer, and Attorney for each Board. Mr. Whichard suggested adjourning the meeting and breaking into those groups to set some meeting dates.

Before adjourning, Mr. Williams asked it were okay to make the Commissioners presentation public when it is ready. Mr. Whichard said that it was appropriate to make the presentation public when it is ready.

ADJOURNMENT

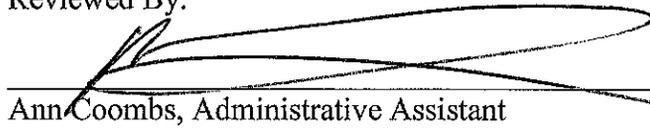
There being no further business, the meeting adjourned at 8:22 p.m.

Respectfully Submitted,



Melissa Pedersen, Clerk to the Board

Reviewed By:



Ann Coombs, Administrative Assistant