

Perquimans County Board of Education  
Board Retreat – October 5, 2016

The Perquimans County Board of Education met for its annual board retreat on Wednesday, October 5, 2016, at 1:00 p.m. in the administrative offices of Perquimans County Schools in Hertford, North Carolina. Board members Amy Spaugh, Anne White, Ralph Hollowell, Leary Winslow, Russell Lassiter, and Arlene Yates were in attendance.

Board Chair Amy Spaugh called the meeting to order. Russell Lassiter led the audience in reciting the Pledge of Allegiance. Ralph Hollowell opened the meeting with prayer.

Approval of Agenda

Upon motion by Leary Winslow and second by Ralph Hollowell, the Board voted unanimously to approve the agenda as presented.

Athletic Complex

Dina Neeley, Field Sales Representative for Musco Lighting, presented information on lighting for the proposed athletic complex. She mentioned the following areas in regard to a lighting project: (1) the goal of sports lighting; (2) the right amount of light; (3) the controls system; and (4) a meaningful warranty. She presented information on the history of Musco lighting and how sports lighting has transformed over the years. She provided examples of how a baseball field, a soccer field, and several football fields looked like before and after lighting installation. She talked about quality lighting and quantity lighting for the smoothness/uniformity on the field.

Ms. Neeley talked about budget, noting that some districts use Musco Finance. There is 0% down, with the first payment due a year from delivery. Depending on the scope of the project, the district could do 10-year payments with 15 years of additional warranty. The cost of delay with materials and the cost of money is about 7% per year. She explained how the purchase could be done in adherence to the General Statutes. According to G.S. 143-129e(3), you can purchase (or lease) as purchasing off of state contract through a competitive bidding group, which is formally organized to obtain purchasing services at lowest prices. In other words, it allows the district to purchase legally at the lowest possible price. What is done for warranty and servicing is done remotely through the office in Iowa through a proactive process.

Ms. Neeley entertained questions from board members regarding the following: safety concerns regarding shadows on the field – address the lighting standards; timeline from purchase order to installation – 8 weeks; prep work on the field – do a geo tech report at each pole; the current lighting technology – LED; energy savings – 50 to 60% savings; interest rates for 10 year term - 0.1299065 payment factor; project in phases – design from the site plan; 25 year warranty – foundation to pole cap, “turn-key warranty”; cost for Plymouth - \$285,000 for 6-pole system; lights for parking lots, concession areas, walkways – yes; bids from just one vendor – can find a cheaper price, but warranty for parts only; things not covered under warranty – acts of God; lock gates and turn off lights remotely – user name and password, zones depending on electrical designs, schedule dates/times; of the \$285,000, the price of the warranty - \$5,000; lease vs. purchase – Musco funds the lease; pricing – could lock in price now, install next year, first payment a year from installation.

In regard to lighting designs, things to be considered would be quantity and quality of light; geographical issues; environmental light control issues; and lighting usage. Ms. Neeley also discussed design, supply, and installation of the lighting system.

Before selecting a lighting system for the PCHS football field, board members recommended that information be gathered from the County regarding the lighting system purchased from Musco for the Recreation Department.

Board members also requested a cost spreadsheet on what is being spent now for utilities on the athletic fields, realizing that the new lighting system could realize a 50 – 60% savings, which would be in addition to the costs of the existing lighting.

### Budget

Mr. Cheeseman and other administrators attended the Finance Symposium recently and received a 58-slide PowerPoint presentation at the meeting. When Mr. Cheeseman joined the team in January, School Nutrition was a concern. He reminded board members that School Nutrition received a loan last year in the amount of \$85,000. By the end of September, under the leadership of School Nutrition Director Shirley Pelletier, the department has already generated \$92,000 in revenue, which is up from last September. Students, staff and parents are eating in our cafeterias. Mrs. Pelletier provides participation numbers to principals each week and the schools are actually competing against each other and how they can increase participation numbers.

Mr. Cheeseman pointed out that the state has urged districts to request more money from their local government although local government is saying this is the state's responsibility. There is a projected 2% cut in state funding for next school year. At this time, districts do not know if this is a position allotment or cash allotment. There are approximately 167 charter schools across the state. When our students leave the district, we lose dollars. There is a large contingency of people pushing charter schools right now. The general fund has decreased by 13.7% since 1970. Years ago, 55% of the general fund went to education; that figure is now about 38%. If funded at that rate today, it would equate to about \$3 billion dollars for the state of North Carolina. Positions are being lost across the state. Dollars equal positions. When positions are lost, choices have to be made. This will be seen locally in class sizes and course offerings. When Mr. Cheeseman arrived, there were 81 position allotments; now there are 75 state-funded positions, although we actually employ 91 teachers.

This year, the County Commissioners gave the district a 400% increase in funding based on the increase they gave us the previous year. The anticipated 2% cut, which will total approximately \$250,000 for our district, will need to be communicated to the Commissioners. In November at the NCSBA conference, board members will need to attend sessions around school budgeting and finance. Some of the impacts of decreased funding will be increased class sizes, which we are experiencing this year at Perquimans County High School. The money that the state gives us has to be spent using certain guidelines in certain areas. This money is controlled by the state and we have to operate within those guidelines.

This year, there will be a budget at the school level and principals will have autonomy over that budget, of which requests will be approved by the Finance Director. Our greatest resource is our people; approximately 80% of our budget is spent on staff. G.S. 115C-422, The School Budget and Fiscal Control Act, is what we have to follow in terms of budget and finance. According to Finance Officer Candy Tilley, when speaking about declining revenue and increase in benefit costs, it makes the drop in percentage of revenue even more. This year we provided a 0.25% increase in supplements, which increased supplements from 2.25% to 2.5%. We are cutting back this year on professional development and field trip expenses to avoid using money from fund balance.

Grades K-3 will look different next year. Currently the teacher to student ratio is an average of 1 teacher to 21 students, but fiscally, 1 teacher to 18 students. Next year, Kindergarten will be 1 to 18, 1<sup>st</sup> grade 1 to 17, and 2<sup>nd</sup> grade 1 to 18. It appears that more teachers will be needed as well as classroom space. The ultimate impact will be at the higher grades having fewer teachers.

Mr. Cheeseman has talked with County Manager Frank Heath about having a funding formula for the school district so that the district will know the amount of money it will have available to spend. This year there was a 3% drop in federal grant funds, which are changing to more competitive grants. All of our principals are relatively new in their positions and they are learning more about fiscal responsibilities. According to Phillip Price at NCDPI, a 2% decrease is approximately \$111 per ADM. In response, we are looking at personnel, resources and how we spend our money. We need to be diligent about seeking out what other districts are doing. We will do an audit of our programs around central services and resources. At the December meeting, the Superintendent will present a draft of thoughts around the budget for next year.

The Board may have to make decisions about when to say no to student transfer requests since dollar amounts are attached to each student. The Board may consider this on a case-by-case basis or use a blanket policy. In addition, there are many parents who are homeschooling their children as well as choosing to enroll them in private schools, charter schools, or virtual public schools.

There was some discussion among board members about what the NCSBA lobbyists do for school districts and the benefits versus the costs of attending the annual conference. Assistant Superintendent James Bunch noted that the NCSBA recently sent out a survey of various topics so that the voice of districts could be heard.

Board members discussed the need to showcase our district so that students and parents will want to remain in Perquimans County Schools. Director of Communications Lisa Lane shared ideas about how she plans to promote our school district.

#### AdvancED Accreditation

Perquimans County Middle School, Hertford Grammar School and Perquimans Central School will undergo the accreditation process this year. It will show the great things that are going on in our schools as well as some things we need to fix. We will receive a progress report at the end of the process. A quality review team will first visit Perquimans Middle this fall to examine our continuous improvement efforts. The team will meet with Mrs. Moreland and her team to talk about past, present and future and look at the efficiency and effectiveness of what is done inside the building. At the end of the two-day review, the quality review team will meet with the team regarding the accreditation status of the school. The Perquimans Central review will take place in January and the Hertford Grammar School review in March. Mr. Cheeseman noted that AdvancED is a vendor that we pay for this service.

#### Strategic Plan

The Strategic Plan is the established plan for the district. For those not familiar with the plan, it is posted on the district website on the Board of Education page. Mr. Cheeseman will provide more information about the plan at the October 24<sup>th</sup> meeting as well as provide quarterly updates to the Board.

In regard to the review of the Superintendent's goals, Mr. Cheeseman said he would do this tomorrow night as planned or during closed session following the regular board meeting on

October 24<sup>th</sup> so that preparations can be made for the impending hurricane. The Board chose to hear the Superintendent's goals in closed session following the board meeting on October 24<sup>th</sup>.

There being no further business, the meeting was adjourned.



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Amy G. Spaugh, Board Chair



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Matthew F. Cheeseman, Superintendent