

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
MARCH 21, 2011

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Horton Middle School, Multipurpose Room, 79 Horton Road, located in Pittsboro, North Carolina, at 6:00 PM on March 21, 2011.

Present: Chairman Brian Bock; Vice Chair Walter Petty; Commissioners Mike Cross, Sally Kost, and Pamela Stewart

Staff Present: Charlie Horne County Manager; Jep Rose County Attorney; Renee Paschal Assistant County Manager; Vicki McConnell Finance Officer; and Sandra B. Sublett, Clerk to the Board

Present: Chair Deb McManus; Vice Chair Gary Leonard; Board Members Flint O’Brien, Del Turner, and David Hamm

Staff Present: Robert Logan, Superintendent; David Moody, Assistant Superintendent of Auxiliary Services; Sheila Tally, Administrative Assistant to Superintendent

Work Session

1. **Public Input Session**
2. **Meeting of the Chatham County Board of Commissioners with the Chatham County Board of Education**

The Chairman welcomed those in attendance.

PLEDGE OF ALLEGIANCE AND INVOCATION

Commissioner Petty delivered the invocation after which the Chairman of the Board of Commissioners invited everyone present to stand and recite the Pledge of Allegiance.

CALL TO ORDER

The Chairman called the meeting to order at 6:06 PM. He noted that because the Board of Education was meeting with the Board tonight, he would allow more time if needed for the Public Input Session.

Deb McManus, Board of Education Chair, stated that because the Board of Commissioners had requested this meeting the Board of Education would not be taking minutes tonight.

PUBLIC INPUT SESSION

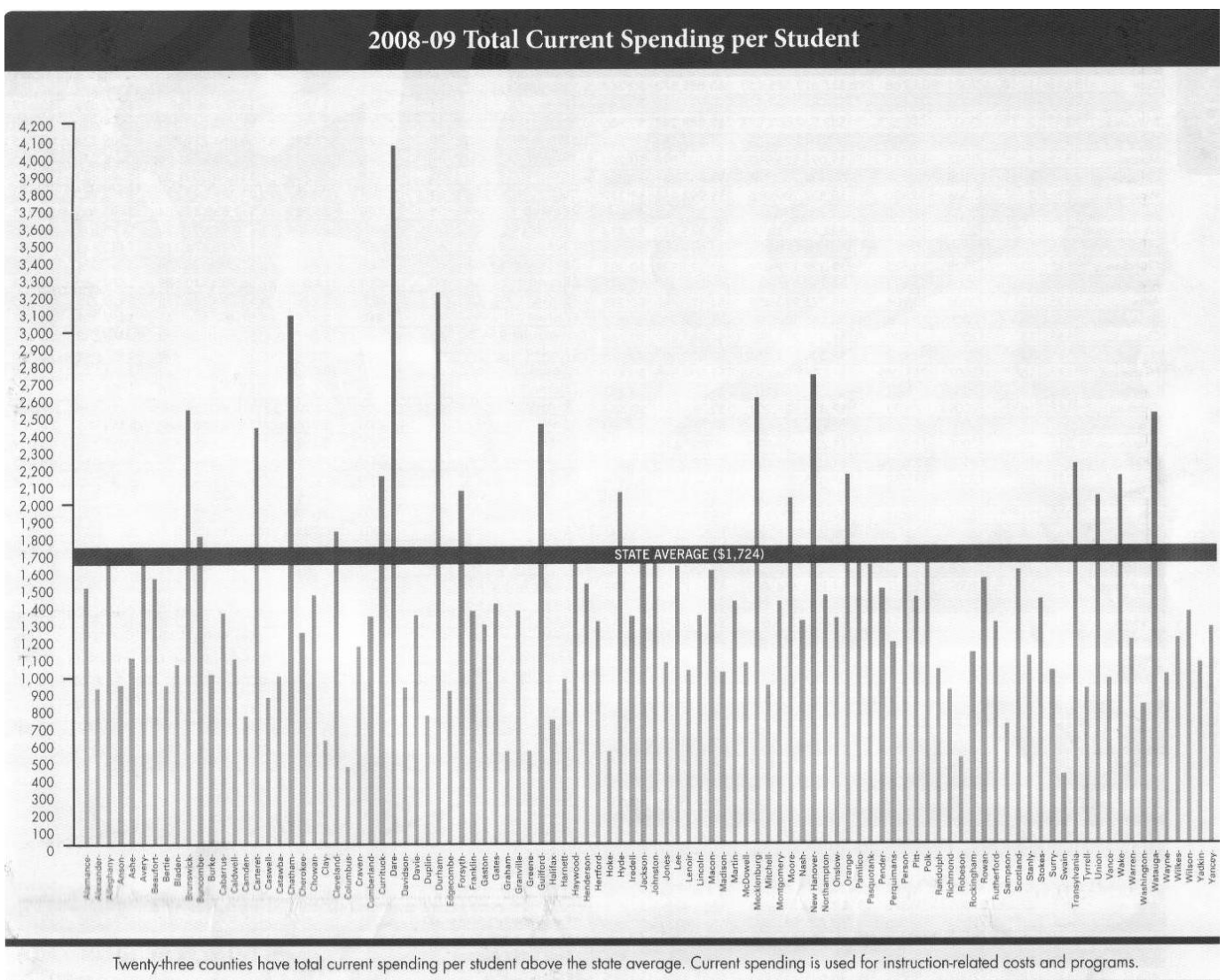
Jeffrey Starkweather, 590 Old Goldston Road, Pittsboro, NC, stated that he was concerned about the education of the children in Chatham County schools which had to be a top priority. The American Dream of social mobility could only be achieved through a quality and equal education for all children. But, that was seriously at risk in this country. The United States has dropped from first to twelfth in college graduates among rich countries. Our 15 year olds are ranked 19th in science and 25th in math. Close to 50% of students in our public schools qualify for reduced lunch, and one school was close to 100%. We also had serious job loss in

this County and we have an extraordinarily high percentage of our tax revenue coming from residents because so many of the jobs were out of the County.

For those reasons schools are an important infrastructure for two reasons. First, quality of life and surveys had shown that education was the top priority for quality of life. Second was quality of labor force. Mr. Starkweather quoted from an article taken from the Journal of Rural Social Sciences article titled “Economic Restructuring and Education,” as follows: “We feel that two especially relevant conclusions can be drawn. First, it is essential that the education and skill levels of nonmetro workers improve. Secondly, that many nonmetro communities may be better positioned than ever before to attract some of the newly developing jobs in the high-pay service sector.” There are a series of budget cuts under consideration which he did not think would serve them long term or short term, and asked that the County provide more funding for schools this year so that those cuts would not take place.

Mia Munn, 694 Sugar Lake Road, Pittsboro, NC, presented her comments to the Board and provided them in their entirety for the record as follows:

“My name is Mia Munn – you all know who I am because I have talked to you about our schools and school spending before.



I had some things I had planned to talk about, but first, I need to address another issue. At the hearing at Northwood on February 16, Ms. McManus committed to finding a way that teachers and staff could give anonymous input to the board. At the March 7 board meeting, Mr. Logan echoed that commitment. I checked today, and teachers and staff still have no mechanism to give anonymous input. By now, it’s too late for them to have meaningful input into the budget process, since you’ve scheduled a meeting next Monday to select a budget scenario.

I ask, if your word means anything, that you find a way for teachers and staff to have anonymous input, this week.

Each year, the Public School Forum, a think tank in North Carolina, does a study of local school funding. In last year's report (using 2007-08 data), Chatham County ranked sixth of 100 counties in local school funding. This year's report uses 2008-09 data, and we have moved up to third of 100 counties. We are a very well funded North Carolina school district.

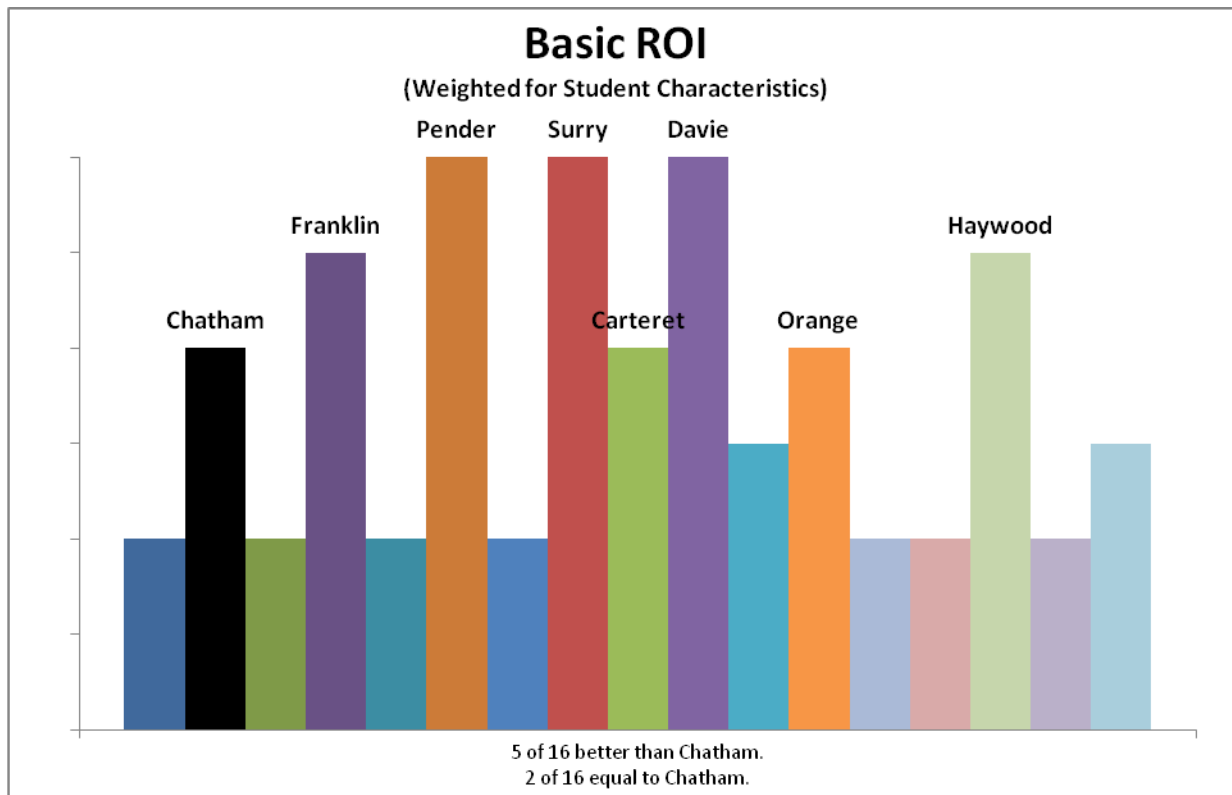
However, in education, more money does not always equal more success. How a school system spends the money it has available is the key driver of achievement. Above a basic threshold, just allocating more money doesn't make a difference, unless you ensure that the money is spent in ways that positively affect student achievement.

I wondered how Chatham was doing compared to other for our educational spending. I discovered that the Center for American Progress had just completed this January a comprehensive study of all school systems in the nation to evaluate the return on investment in the public schools.

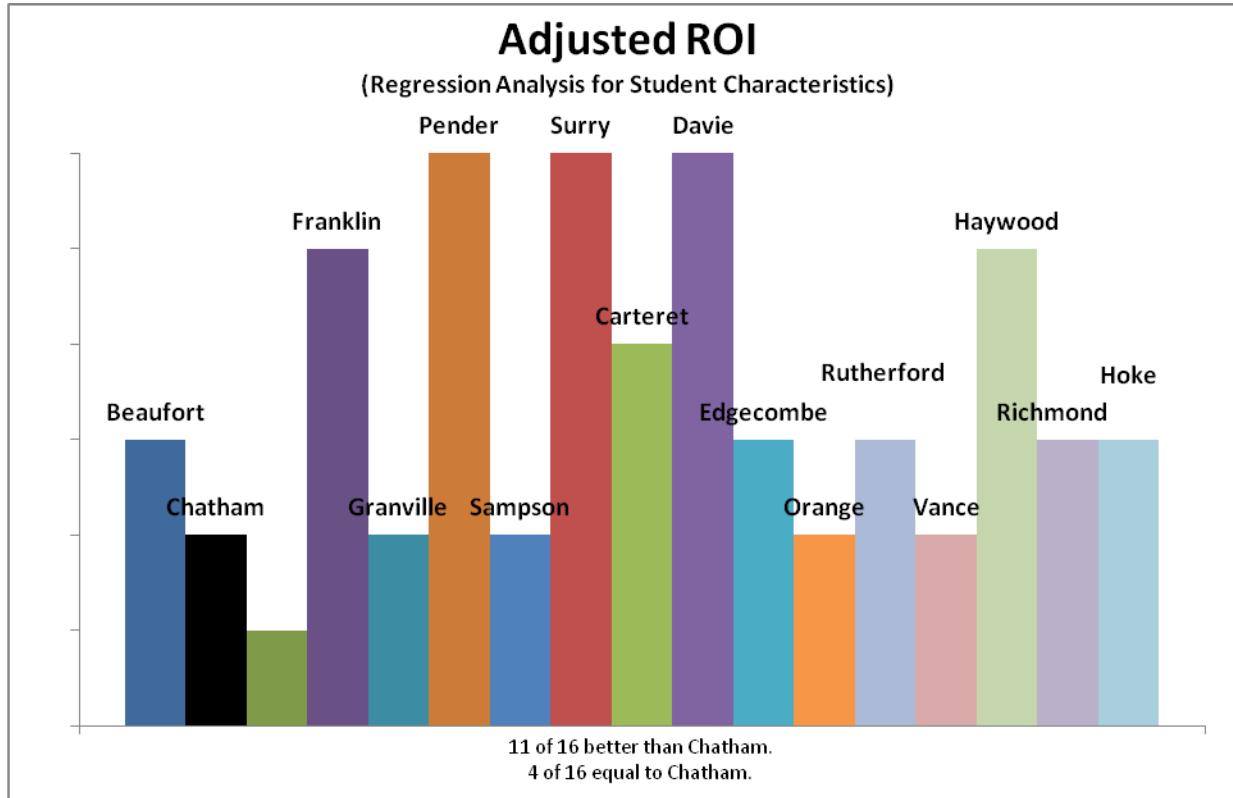
The study compared spending and achievement for districts within a state using three different methodologies.

Basic Return on Investment index rating. This measure rates school districts on how much academic achievement they get for each dollar spent, relative to other districts in their state. To avoid penalizing districts where education costs are higher, we adjusted for a variety of factors including cost-of-living differences as well as higher concentrations of low-income, non-English-speaking, and special education students.

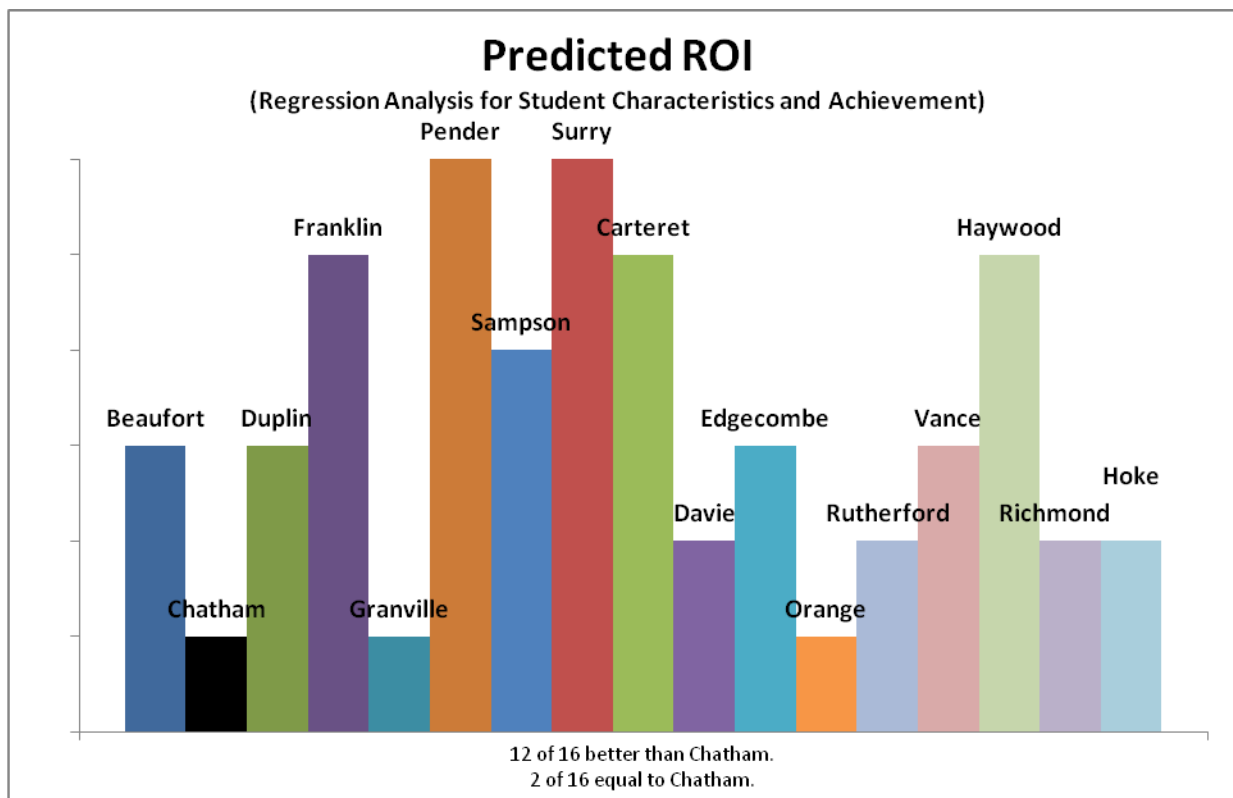
Here is how Chatham County compares to other comparable NC districts. I used the 14 counties Mr. Logan used in a budget presentation this year, as well as two other counties he told me last year he used as comparators to Chatham. I've sorted these in order of the type of population density in each county. The first eight counties on this chart, including Chatham, are classified by the US Census as Rural Distant.



Adjusted Return on Investment index rating (Regression analysis of funding based on student characteristics) This measure uses the same approach as the Basic ROI but applies a different statistical method, called a regression analysis, to account for the higher costs associated with serving larger concentrations of low-income, non-English-speaking, and special education students.



Predicted Efficiency index rating (Regression analysis of funding and achievement based on student characteristics) The Predicted Efficiency rating measures whether a district's achievement is higher or lower than would be predicted after accounting for its per-pupil spending and for its concentrations of low-income, non-English speaking, and special education students. Under this approach, a district could get high marks if it performed better than predicted.



The report also shows spending in different categories. 11% of Chatham's school spending is for Administration, fifth highest of these 17 districts. 62% of our spending is on Instructional Expenditures, sixth lowest of these districts. I will send you a copy of this data and these charts later tonight.

So, from the Public School Forum of NC data, we see that we are a well-funded school system, but from the Center for American Progress, we see that we are under-performing for our student population and funding. We need to ensure that the funding for our schools is used to maximize student achievement and learning. That must be the most important factor in every decision both the county commissioners and the school board make. We know we can do better, because other districts do better. We must do better, because in these tight economic times, we

can't just keep spending more money, without assurances that that money is being spent in ways that make a difference to our students.

| | Achievement | | |
|--------------|-------------|--------|---------|
| | Lowest | Medium | Highest |
| Lowest Cost | | | |
| Medium Cost | | | |
| Highest Cost | | | |

| District | Basic | Adjusted | Predicted | Type of Area |
|------------|-------|----------|-----------|------------------|
| Beaufort | 2 | 3 | 3 | Rural: Distant |
| Chatham | 4 | 2 | 1 | Rural: Distant |
| Duplin | 2 | 1 | 3 | Rural: Distant |
| Franklin | 5 | 5 | 5 | Rural: Distant |
| Granville | 2 | 2 | 1 | Rural: Distant |
| Pender | 6 | 6 | 6 | Rural: Distant |
| Sampson | 2 | 2 | 4 | Rural: Distant |
| Surry | 6 | 6 | 6 | Rural: Distant |
| Carteret | 4 | 4 | 5 | Rural: Fringe |
| Davie | 6 | 6 | 2 | Rural: Fringe |
| Edgecombe | 3 | 3 | 3 | Rural: Fringe |
| Orange | 4 | 2 | 1 | Rural: Fringe |
| Rutherford | 2 | 3 | 2 | Rural: Fringe |
| Vance | 2 | 2 | 3 | Rural: Fringe |
| Haywood | 5 | 5 | 5 | Suburb: Mid-size |
| Richmond | 2 | 3 | 2 | Town: Distant |
| Hoke | 3 | 3 | 2 | Town: Fringe |

Sources:

Public School Forum of NC, 2010 Local School Finance Study, p 5.”

http://www.americanprogress.org/issues/2011/01/educational_productivity/pdf/fulldatabase.xls

Heather Johnson, 449 Foster Lane, Pittsboro, NC, stated that a couple of months ago the Chatham Concerned Employees issued a challenge to the Board of Commissioners in regards to how they spent taxpayers' money. They ask that the Board of Commissioners put its County checkbook on the County Website. Other municipalities did that, and it was not too much to ask to be able to see where the actual spending was taking place. She would like an update on that.

Ms. Johnson said her other two issues were with the School Board. She understood the rationale behind the funding sources coming in for the community and that the School Board had felt that charter schools should not be a part of sharing that funding, but her concern was that she kept hearing the word equity. These are all our children and all of those schools are public schools whether they are charter schools or traditional schools. So, why shouldn't all of the children receive that money? Why was that not fair and equitable? She was very concerned about that.

Ms. Johnson said her last concern was the continual use of the word equity. They needed to be talking about how their children achieved success in education. She believed when they used words like social justice and equity they were alienating a large portion of the student population which really needed their care. She asked that they focus on educating their children.

Flint O'Brien, School Board Member, said he was not aware of what Ms. Johnson was referring to in regards to equity, stating that he believed equity was funding for needs. Ms. Johnson said whenever it was discussed in relation to their schools and the needs of the various schools, it appeared that the focus was on minority children but she had never heard anyone talk about the special needs children. That was her concern, and to her, it was all about achieving social justice through diversity. She said she believed the word equity was being used more often in terms of minorities and not students as a whole. Mr. O'Brien said he had not researched the use of the word, but he had never heard conversations like that.

Dee Crowley, 330 Melvin Clark Road, Siler City, NC, stated that since the last Board of Education meeting there had been discussions about the opportunity for more funding and

various budget scenarios. He said that Superintendent Logan liked to lead by example, and believed they should do the same and start at the top and list the top ten people who would be affected by any of the various budget scenarios. Instead, they were starting with janitors and teaching assistants, then specialists and teachers.

Mr. Crowley said he had looked over the 2009-2010 annual report, which was on thick paper and was a very nice, high gloss, thick document. Yet, he had looked through it and then threw it in the trash because it was old news. The fiscal year ended June 30, 2010 which was eight months ago. If the report had been done in-house, then the printing expenses and the staff time could have been saved and used elsewhere.

Hal Winters, 6 Eagle Pointe, Chapel Hill, NC, stated that it appeared to him that they were starting at the bottom of the scale rather than the top in terms of budget cuts. He referred to a document that had been put out by the School system.

Superintendent Logan stated that document had been put together by his staff.

Mr. Winters said it seemed to him that cuts should be made at the top of the scale, noting the Superintendent made \$193,000 a year and some directors made \$60,000 a year. He was not the person to determine if that was correct, but certainly it raised questions when they were looking at cuts in earnest. He believed they needed to study all aspects of the budget before they began cutting the identified positions from the budget. Right now they were operating on funds that were put there from new valuations in 2009 from property taxes, and it was his view and belief that those valuations were based on sales from 2005 and 2006. Now they were looking at devalued property for the next valuation, and they needed to take that into account.

Saliann Mao, 838 Fearington Post, Pittsboro, NC, stated that Chatham County was one of the top spenders per child in the State at number three. Yet their graduation rate was only 74.8%. That meant that more than a quarter of their students were failing. It also meant that as taxpayers they could look forward to paying for those failed students either through social services or jail because they would be unable to find decent jobs without a diploma.

Ms. Mao said therefore, she asked that they reject arbitrary allotments of 16% of the cuts to constructive services. How did the School Board come to that ridiculous conclusion? She did not know. There was so much fat to the cut in the Central office. She would like to know why Superintendent Logan needed three highly paid assistants in order to do his job. No other counties had that luxury. They could save so much money if those positions were eliminated.

Ms. Mao said the future of their children was at risk here. They needed the best education they could give them. They needed the best teachers, and the School Board needed to make them feel needed so they would be motivated to give their best to our children. There was no good time to raise taxes, especially now in these bad economic times. She did reject the notion to raise her property taxes to support the wasteful ways of running our schools. The School Board must cut the wasteful spending, not the teachers.

Ms. Mao asked the School Board to be accountable for every dollar that was spent. They had sufficient funds to provide excellent education to our children which they were elected to do. There was no reason to raise property taxes to support continued wasteful spending.

Karen Howard, 12025 Wicker Drive, Chapel Hill, NC, presented her comments to the Board and provided them in their entirety for the record as follows;

“How did we get to a place where we even have to discuss removing teacher assistants from the classroom? How is it that we are at risk of losing field trips and enrichment opportunities? Are we really under the impression that some people’s jobs are the reason we cannot adequately fund education? Has it every occurred to you that perhaps we simply need more money directed toward education...that it needs to be treated like a priority and not a responsibility?”

I am sorely disappointed in the failure of the Board of Commissioners to have worked together with our Superintendent and the Board of Education before we got to this stage to come to a better result for our children... To have come together, pooled their collective intellect and found the money that our school system so desperately needs, so that parents would not be

coming out on a Monday night during our precious family time to fight, argue, push and beg for a budget that meets the needs of our children.

We should not be discussing how to cut more money out of our struggling schools. Rather you should be looking into alternative sources of funding to fill the multitude of gaps in our schools today....the paucity of foreign languages (all around the country students are offered French, Spanish, German, Chinese and Latin), the lack of technology, the large class sizes, the inadequacy of our ESL services. You were elected by people who believed that you shared their interest in strong schools, the pursuit of excellent in academics and the need for our children to be able to compete in a global arena.

You know that it is a fact, that education in Chatham County is already grossly underfunded and our children are steadily falling farther behind our neighbors right here at home and certainly behind international standards. Should South Korea, Finland and Chile, be doing a better job of educating children than we are? Are we suggesting that the children of Chatham County do not need to meet the challenge of the international community?

We could stand here and blame it on everyone else but the truth is that you, our County Commissioners have it in your hands to find the money to put Chatham County schools where they should be. Either you have been planning and thinking of ways to raise that money or you have made a mockery of the voters that put you there. Either you believe that our students deserve to go to competitive, 21st century schools befitting of a global leader or I would venture to say that you have chosen the wrong path for public service.

I don't take it lightly when my 7th grader cannot take Art, Technology or Spanish because he is in the Band. I do not look the other way when my 2nd grader has been in the computer lab three times for the year. I cannot accept that my autistic son has to sit in a class crammed with 24 or 25 children. And I consider it a problem when our resources are so limited that we can no longer focus on the pursuit of excellence in our best and brightest children but must direct what little we have to help the struggling learner succeed.

All of our children deserve a first class education....the bright, the poor, the rich, the intellectually and socially challenged....every single one of us. It is not a compromise that I am making when I put my children into the public schools, but a choice for my children to be educated by the school system of one of the wealthiest nations on the planet. They should not be shortchanged and the success of their education should not turn on how many County employees we can toss out the back door and keep going. What's the plan for next year? Who will we toss out then? And suppose the economy takes years to recover? What will we do then? We need more money... not less.

There were some compromises we all made in choosing to live in Chatham County. Some of us are far away from family; we may miss shopping malls and neighborhood movie theatres; some of us have to drive miles to a food store or the airport and we have to put up with the occasional tornado warning....but education was NOT one of the compromises I made by living here. Please don't make me feel as though it was.

And finally, let me say that if you can find \$700,000 for bonuses I have no doubt in your ability to find money for education."

Peter Theye, 1065 Boothe Hill Road, Chapel Hill, NC, stated he hoped that the School Board and the County Commissioners would work together to solve these financial issues. He stated that the Board of Commissioners had held public hearings and other meetings in the morning and afternoon hours, and it was very difficult for working citizens to attend such meetings. He stated his other issue was the hundreds of hours citizens of this County spent writing and wording rules and regulations that this Board was rewriting. He hoped that they understood that they were not making decisions that others would not hear about. Citizens had contributed countless hours to write stormwater and erosion control rules and the like because it was important to them. He would like the Board to see the hundreds of photos he had of mud and sediment that had washed up in Westfall, Briar Chapel, and many other places around the County. He asked that they take all issues to heart and take care of their future, not just today.

Ginny Condrey, 4455 NC Highway #87 North, Pittsboro, NC, Horton Middle School PTSA President presented her comments to the Board and provided them in their entirety for the record as follows:

“I would first like to point out that we have received 475 signatures that support equity of funding for all schools based on student enrollment at each school and proficiency levels at each school. Equity is not a term that has just come about. Using information provided at Board of Education meetings, we were provided information about per pupil spending that clearly showed the disparity of funding that has been happening in our schools. That information showed that there was a difference of as much as \$1000 per student in the allotments to the schools. Simple math allowed me to determine what the total pot of money was based on per pupil expenditure and then divide that amount by the total number of students, K-8, to find the equal amount per student. I then re-ran the calculations to show the huge differences in the allotments. Of the schools that were open at the beginning of the school year, 5 of them had negative numbers of showing where they were underfunded. Of those 5, 3 of them receive Title I funds, which begs the question if the Board of Education was purposely under-funding these school because they received federal funds. These same numbers showed that a school with just over 200 students was funded more than \$200,000 while schools with double the student numbers are cut drastically. I ask that the Commissioners not approve a budget scenario that does not address the issues to make funding equitable for ALL students in Chatham County.

Equity is not a buzz word or a catch phrase. It has nothing to do with the color of our skin or what country we were born in. I represent one of the schools that was grossly underfunded and I'm proud to say that I was born in the United States of America.”

Ellen Reich, North Chatham School PTA President, stated that she was in support of the statements just made by Ginny Condrey. **Vicki Newell**, Pittsboro Elementary School PTA President, **Sherry Holst**, Horton Middle School PTSA Secretary, and **Julia Anthenien**, Pittsboro Elementary School PTA Secretary, also stood in support of Ms. Condrey's comments.

Chairman Bock stated they appreciated the comments and the passion in which they were presented, adding that they were listening and that was why they were present tonight. He stated he wanted to get the School Board's thoughts as a Board on some of the comments made, such as exactly what equity spending meant, because that was directly related to what the School Board was asking from the County.

Deb McManus, Board of Education Chair, stated that they as a Board were a little surprised when they had actually seen the numbers; she knew she was. It had been a gradual thing, and yes, some of it was that the services were being divided by some of the federal money, but it was not the intention to take away that federal funding. For her, the equity would have to have a balance, and it may not be exactly the same per pupil spending in each school. There had to be some balance between per pupil spending and funding where there was a lack of proficiency, for example with reading teachers at schools where they were most needed. They would be reallocating those things based on student numbers, proficiency, and what it took to basically make a school operate. It was more complicated to provide all the services to those middle grades and their small K-8's. They would still have those services, but it would probably be a reduced levels.

Ms. McManus stated she did not believe any of them could in good conscious take away services for special needs children, and did not believe it was their intention to do that. Their first job was to educate the students, but it would probably be done through a more balanced method than what they were doing now. It was important to the entire Board that they reach a more balanced position on spending. But, it may not be the same for every single child at every single school. It will be based on the need, the numbers, and the proficiency.

Flint O'Brien, Board of Education Member, agreed, adding he had thought they would have the budget discussions with equity discussions, and would develop a budget knowing the allocation per school. In rethinking that, equity issues were not simple issues in that they had large differences in the size of schools and large differences in the way the State allocated the funds. He believed that after budget discussions, they perhaps should have some more meaningful discussions regarding equity for next year.

Commissioner Petty stated that along the lines of equity, it did not make any difference if it was a school issue or a business issue. An entity had to operate at a different level based on where it was geographically and the cost per unit, or child. The math of it said that any time you could put more volume to a dollar, the cost per unit went down. Some of those things they could not change in this County, just like a business located in Chatham County versus Sacramento. The tax base was different, the cost of living was different, and many other things were different. The schools were no exception to that, in that it would cost more to operate a school in some areas compared to others.

Commissioner Petty stated with that being said, had they truly seen a difference in the services that a child had received if their equity was lower per student than in a school where the equity was higher per student. He would venture to say, probably not. What made it look out of kilter was the fact that dollars per student was lower with the larger volumes of services more easily available. Why not look at the needs of a school based on its location, what it had to offer, and what it had to use in the way of resources rather than basing it on an equity number. That skewed the numbers somewhat, and asked was that a viable option.

Ms. McManus stated she believed the services were based on the needs of each school.

Commissioner Petty stated that was where the dollars per student was lower. Mr. O'Brien stated that was correct, for example if you had a reading teacher at a school with 200 students and you were funding a teacher at a school with 800 students, that was a dramatic difference in the number served. He agreed that the costs were inherently higher for some schools, but they just needed to have more balance than they had now.

Chairman Bock asked was it their intention to address that this year, or was that a multi-year endeavor. Ms. McManus replied she believed they would begin to address that this year. She believed that Superintendent Logan had already begun talks with the principals about some changes they should expect as far as some of the funding for individual schools.

David Hamm, Board of Education Member, stated he did not see that happening instantly in that it would take several years for it to evolve. A big step could be made this year, and it could be stepped up each year as additional moneys and additional positions were identified. He gave an example of a smaller school with a full-time P.E. teacher, and a larger school with a P.E. teacher who was present only one day a week. But, this year, they could at the least make a start.

Commissioner Petty stated in that example, could staff not be moved around to accommodate such needs. Ms. McManus replied yes, noting it was not so much a matter of funding teachers because they needed all that they had, but it would be a matter of reallocating staff.

Mr. Hamm stated the fear was that at particular schools someone may say that they would no longer have the services. But, if you had 200 students you might need that P.E. teacher for two or three days, not five.

Commissioner Kost asked about class size, noting that she believed class sizes had crept up although the State was responsible for part of that. She asked was Chatham County equitable in class size across the schools in the County. Ms. McManus replied it varied, but probably due to the size of some of the schools. If they only had 26 students in an entire grade level, that class size would be 26. If they had 42 students that was too many for one class so there would be two classes with 21 students. Those were very complicated schools and the reason why they ended up with more combination classes in some grades. On average, their Title I schools had slightly lower class sizes, and across the County the average was fairly similar at each of the schools.

Mr. Logan agreed that was correct. He stated what the public needed to understand was that the County does not reduce its support for public education. Some of the figures that had been quoted tonight were inaccurate and he would like to correct those before they talked about class sizes. Last week the NC Statistical Profile numbers had been released, and the State per pupil expenditure for this County was 81st in the State, and federal it was 78th. The numbers that had been given earlier was the local support for public education. In 2009-2010, Chatham County was ranked fifth, and that ranking was due to the support of the County and its citizens for public education, but also figured into that was capital expense. When you totaled all the State, federal, and local support and averaged it out they were ranked 33rd in the State. That was

still above the State average, and locally it was in the top five. So, they were receiving more local money than most of the other school districts in the State, and they were very appreciative of that.

Ms. McManus added her thanks as well. She stated as far as class sizes, they allotted the entire County based on the State formula. The State formula had actually increased but they continued to allot the formula that the State had historically used.

Mr. Logan stated that was one way that the State had been managing or reducing its funding to school districts; that is, they were increasing the class size but reducing the teacher allocation. As that had happened, Chatham County had not adjusted the class size according to the State adjustment but had used Fund Balance and local resources to maintain a consistent class size for a number of years regardless of the past few years of cuts by the State.

Ms. McManus stated when the State allotted positions they did not allot them per school but per school system. So, they had to figure out how those positions would be used throughout the school system.

Commissioner Stewart stated that Ms. Howard had mentioned the large class sizes, and asked how the County rated among schools in the region as to class size. Ms. McManus stated she did not know exactly how they ranked compared to surrounding counties.

Mr. Logan stated he did not have an exact rating, but did know that they were below the State average.

Commissioner Stewart asked if the schools were inadequate in terms of offering foreign languages that were offered by other county schools. Ms. McManus stated that some foreign languages were offered through on-line courses. She believed that all of the high schools had had Spanish offered, and at one time all had had French but was unsure if that was still the case. There may not have been enough interest to support it at all schools, but it was available as an on-line class, as was Latin.

Mr. Logan stated that in the budget for this year they were offering some foreign language below high school, but they did not have enough teachers to really make a difference.

Ms. McManus stated they were not offering enough hours for students to be adequately grasping a language.

Commissioner Stewart asked if salaries were posted on the Website. Mr. Logan stated that the entire school budget was posted on the Website, but individual positions and salaries were not posted. Salaries were in line with other schools districts, and he had not crunched those numbers as asked by Mr. Winters but his guess was that what those numbers represented was every dime in every category that was allocated to them, including longevity, health, workers' compensation and every other possible compensation and benefits. He stated he did not make \$195,000; his base salary was \$145,000.

Chairman Bock stated he was not one to look at people's salaries and say they were too high. More importantly, the question was whether the position was required. He believed they all agreed that as reductions needed to be made, they start with those furthest from the classroom.

Mr. O'Brien replied that was their goal and was what people needed to hear.

Chairman Bock stated he hoped they all agreed on that. If a position was necessary and it was a high salary position, then it was a high salary position that would remain. The reality of the situation was the School Board was being asked to reduce the budget. Mr. Logan stated their State reduction was anticipated to be \$5.3 million. Their present year budget was at \$99 million, a lot of which was in capital/construction. The budget that drove the school system was approximately \$75 million.

Commissioner Petty stated it was important to point out that when they talked about reducing expenses, they were not saying they were cutting the budget. In a time when they were asking the County in every department to reduce their budget and cut spending, they have told Mr. Logan in their retreat meetings that they proposed to try to fund the school system at the

same level in which they did last year. So, when they were talking about cutting expenses they were not saying they were cutting the dollars available necessarily; they were asking that they find ways to make those dollars go further. That was the important message to convey here.

Commissioner Kost stated to clarify, at the retreat she had said that she would consider it a cut in the budget if the per pupil expenditure decreased. So, they should as a County fund any increase in enrollment. Before they leave tonight, she would like to know what the DPI was projected for enrollment. She reiterated that she would consider it a cut if they did not fund at least the same level per pupil.

Chairman Bock stated he disagreed with that. If they were going to fund something at the exact same level as it was funded last year that was a dollar figure. If you funded more than that, it was an increase whether it was for per pupil or not. His personal goal was and commitment was to fund the same amount, although he did understand Commissioner Kost's position. If the school budget was the only thing in the County's budget, it could receive a higher level of funding. But, the County had other obligations. In regards to the Capital Improvements Plan, their operating costs were expected to increase significantly from now to 2016, including a new high school, a new judicial center, and possibly a new jail. If they did find the money to increase the dollar amount to the schools, it had to come from all the other areas that the County funded. Some might say to raise property taxes and increase revenue, but that was a hard argument for him to make. Until he could feel very comfortable that they had reduced spending everywhere it needed to be reduced, he could not in good conscious say they were going to raise property taxes. So, the County was putting pressure on the Schools to present the County with a budget that got them there.

Commissioner Cross thanked Mr. Logan for his comments, and remarked that much had been made about the Board of Commissioners working with the School Board and producing the funding to support their budget request. This would be his seventh year of working on the budget with the School Board, and he did not know of one year that the Board of Commissioners had not provided almost everything that the School Board had asked for and he knew that in the last four years they had been provided everything requested. As far as the suggestion to raise property taxes, perhaps those in the room could stand a tax increase because they were obviously very interested, but many could not. The atmosphere for a tax increase in the middle of a recession was not going to fly, so the Board of Commissioners would do the best they could to provide at least the same budget the Schools had last year.

Chairman Bock stated that anywhere the County reduced outside of the school budget, it was critical to someone, and in his opinion they had to reduce spending because of the costs they knew were coming. Hopefully, what they were doing on the side of economic development would expand their tax base and improve everyone's situation. It was the Board's hope that the Schools could withstand the State cuts and perhaps things would not be as bad as they thought without the County added on to that.

Commissioner Petty stated as could be imagined they had been bombarded with many emails and letters just as the School Board had been. They had not done their due diligence unless they asked the questions, and would like for someone to respond to one communication he had received and whether or not it was in fact accurate and was it applicable. All figures may not apply, but they tended to pull numbers together to present whatever case they were trying to present, so he would throw that out for discussion. For instance, one email stated that in Alamance County with 22,500 students and 35 schools they spent \$2.8 million in their operating budget on Central Administration. In Chatham County with 7,800 students and 12 schools, they spent \$4.1 million on Central Administration. He asked were those numbers accurate, and if so, how could a county with 22,500 students spend half as much money as a County with a third of those students. Commissioner Petty stated those were questions but it had to be addressed.

Mr. Logan stated there was much discussion taking place at the State level at present about cutting Central Administration because they were all facing budget cuts, reductions, and difficulties balancing their budgets. As he had explained to the School Board when he had done a comparison of 14 to 15 similar sized school districts in the State to Chatham County, it went back to what the district considered to be a part of Central Administration. Different counties had difficult categories listed under Central Administration. When a comparison was done Chatham County schools were right in the middle, with some smaller and some larger. The figure of \$4.1 million was correct in that was the cost of the 54.8 positions they considered to be

Central Administration. One of the budget scenarios did recommend cutting Central Administration positions. He did not know what Alamance included under Central Administration so he could not verify the number. The most honest and accurate answer to the question would be that they would have to know what Alamance County considered a part of its Central Administration and what was not considered as well.

Commissioner Petty stated then it could just be a classification issue. Mr. Logan responded that was exactly correct. He stated that was something they would be looking at, noting they had not looked at Alamance but they had looked at 14 others and they were right in the middle.

Commissioner Petty stated it really did not matter what anyone else was doing; they had to get the budget to where they could afford it. Mr. Logan agreed.

Commissioner Kost added they also had to educate their children.

Mr. O'Brien stated that ultimately, they had to ask the Superintendent for recommendations, and the Superintendent had recommended cuts during the current budget cycle. At its last meeting, the School Board had asked for scenarios for additional cuts, and for the Superintendent to weight the pros and cons of each of those cuts versus other cuts. It was something the School Board was wrestling with and they were looking at different options.

Chairman Bock stated listening to a lot of the input during the restructuring discussions he had heard a lot of different schools say they were willing to give up various programs in order to not have to restructure. But, there were a few people who had not agreed with that, for instance Margaret Pollard. His question was whether the principals have the flexibility to make program decisions. For instance, if Moncure wanted two Spanish classes but someone in Siler City did not, were the principals able to say what programs they wanted funded and others could have different funding. Would that be considered inequity or was that something that could be considered.

Mr. Logan stated in some areas the principals did have the flexibility to determine how they would use the staffing that they received. If a program was a district-wide program such as Spanish, then that would be an area where if the School Board decided to remove all Spanish positions, then the personnel would not be available for a school principal to say that they would offer it when others would not. The goal was to provide the same types of programs, noting that Spanish had been recommended to be discontinued at the middle school level. But, once the positions were allocated then the flexibility did exist for principals to determine how to use those positions in their daily schedule. They had not allocated in the past in such a way that a school could offer an array of programs that another school could not.

Ms. McManus stated that technically the schools did not have enough positions to decide whether to devote one or two to Spanish unless they were giving up something in their core curriculum. In general they did not have enough positions to have that kind of flexibility.

Chairman Bock stated his thinking was in line with the community school idea which was very popular. He believed it would be interesting to learn if the individual community schools had that kind of flexibility, but was sure that all principals would like to have more flexibility. It was something to think about, noting that various people had asked him to bring that up.

Ms. McManus stated she was sure that principals in their smaller community schools were very worried about how they were going to meet their curriculum goals with the teachers allocated for core classes. The State did not allot based on subject areas; they allotted based on the whole number of students. If they had three 6th, 7th, and 8th grade classes that had to be taught each subject by a teacher certified in that area, some of those schools may have only three or four teachers that were certified in the required subjects. It was not so much more flexibility that principals wanted; it was more teachers.

Commissioner Petty stated that also spoke to the fact that that was why the Board of Commissioners was concerned about making the cuts as far away from the classroom as possible. They already had a deficit there, so any cuts made needed to be far removed from the classroom.

Gary Leonard, Board of Education Member, stated he wanted the Superintendent to explain what was already being done at Moncure.

Mr. Logan stated that part of the issue was the issue of equity and what had happened to create the imbalance. There had been a challenge to the per pupil expenditure figures that he had presented to the School Board and used to determine the amount of funding. He said a very appropriate question had been asked about whether they were talking about equity of funding or equity of service. The schools systems in the State and across the country had equity funding, noting that different schools required different things depending on location as had been pointed out tonight. They had to try to look at equalizing the services so that all the children in a school received an appropriate level of programming and services that they tried to provide in the school district. Because it was an economy of scale that schools were built at certain sizes to provide the most efficient level of staffing and the most efficient level of services and programs provided to the number of children in a facility. When they had smaller schools they did not have enough children to trigger additional State allocated staffing, so they had to allocate more staffing just to build their core operational schedule, and that was what had happened over time. It was not something that was intended and was not an effort to ignore some and give others more, it was that over time some of the smaller schools received more so that they could function at a normal and acceptable level.

Mr. Logan stated this would be the third year the Schools had cut the budget, noting that eleven teachers were cut under the 2009-2010 school budget. At that time, one of their schools, the Moncure school, had decided to look at organizing the school somewhat differently. Rather than trying to have a teacher per grade or "x" number of teachers for "x" number of children, they put multiple grades of children in the same classroom still at or below the typical student/teacher ratio. They might have a grade with kindergarten through second grade in the same classroom with the same teacher, or they might have first and second graders or second and third graders sharing a classroom. Some called that combination classes, but in this case it was different. What was different was that they were selecting two equal numbers of children at different grade levels to share a classroom and a teacher which was multi-age grouping. With multi-age grouping that the Moncure staff had gone through some special development that allowed them to look at the curriculum differently and integrated all kinds of curriculum that continued to challenge the higher grades as well as being acceptable for a lower grade student in the same classroom. That system had worked beautifully, noting that the Moncure school had good test scores and it was a good performing school. The staff had accepted the changes and had been able to make the system work with a smaller number of teachers. The Moncure school had elected to do that restructuring and had not been asked to do it by the School Board. It was a system that worked well throughout the State, with many schools using it not because they had a staffing shortage but because they believed it was a better system. It was an educational concept and not just a staffing issue.

Commissioner Petty asked could that be considered in terms of what Chairman Bock had asked about giving some flexibility to the principals. He asked was that within their realm or scope of decision making. Ms. McManus responded it was, noting that Moncure had come to the School Board and asked to use that educational concept. They were giving that kind of flexibility if they wanted to use their staffing differently.

Ms. McManus stated they had two schools that were considering the use of uniforms next year and that was school driven, not School Board driven. They were phrasing it as more a particular style of dress, such as colors like khaki pants and polo-style shirts and that type of thing and not everyone wearing exactly the same outfit as you might picture a traditional school uniform.

Mr. Leonard stated that many good things were happening with the Chatham County schools even though some issues were being bandied about. He said the children were receiving a good quality education, but they could do better.

Chairman Bock stated it had come up a lot lately about the levels of spending which was better than average but the results were only average. He wondered how they could get better than average results, and that was the frustrating point for him and for many others.

Ms. McManus stated they were constantly trying to achieve that goal, and their scores had been gradually going up. Even their graduation rate had been increasing although it was not

where it should be. There was also that confusion between a graduation rate which was a dropout rate which the State calculated differently. For instance, they had students who had dropped out but had attended and completed community college. In the past if a student took an extra semester over four years to complete school they were considered a dropout even if they graduated after that extra semester. This year, however, the State had relented and had allowed the use of a five-year term for graduation rather than four.

Ms. McManus stated that if a student left and they could not track that they went to another school, they were considered a dropout. If they could track where a student went it was not considered a dropout, but if a student left and did not tell them where they were going, it was a dropout.

Mr. Hamm stated another problem was that if a student started kindergarten and then for some reason was pulled out of school and they could not track where they went, they then had a dropout. That was just the way the State set up the guidelines.

Mr. Logan stated that was how information became confusing and became difficult to understand. Their graduation rate was 74.8% for a four-year course; however, their graduation rate for a five year course was 80.2%. The graduation rate was calculated through a federal model that all school districts in the country used, which was when students entered as 9th graders how many of those students graduated four or five years later from school. What impacted that was what had just been pointed out. They lived in a very transit society today, and if they could not find where a student who had left had gone to, then they could not count that child in their graduate rates. Likewise, if a child left public high school and went to community college and they knew where they were, that child still counted against them. If they knew that a student received a GED, that child still could not be counted as having graduated.

Mr. Logan said that the graduation rate was based on the number of children entering the 9th grade and graduating either four or five years later. The dropout rate was calculated on the number of students enrolled on any given year, and on October 1st of the next year if they could not locate the students that had left the school system then they were considered dropouts. But, many of those students were enrolled in school somewhere else but they did not have a tracking system to find where they had gone.

Commissioner Petty stated it sounded like a less than perfect system. Mr. Logan agreed. Commissioner Petty said but, everyone was graded on the same system. Mr. Logan stated that was also correct, adding that their local graduation rate was equal to the State four-year graduation rate and well above the five-year rate. He stated he had given the Board a list of things that the local dollars was used for, and at the bottom of that sheet it indicated what some of that local funding was used for.

Mr. O'Brien stated that they definitely needed to be looking at improving performance at all schools and how to accomplish that improvement. The other area to focus on was raising the effectiveness of their teachers through better education of those teachers or better coordination among teachers to determine where they might support each other.

Chairman Bock stated that in terms of graduation rates from 2007-2008, when he looked at the numbers the County seemed to have been above the State average in 2008, but now they were average. Ms. McManus stated at best they were minimally above. She did believe the economy had hit parts of the County hard enough that they had experienced some dropouts because teenagers had to go to work. They had puzzled over that small bump out, but expected that State-wide there had likely been the same kind of bump out although no one was 100% sure why it had occurred.

Chairman Bock asked was there a higher dropout rate in one part of the County over another. Mr. Logan responded they had dropout rates per high school, but did not have those figures in front of him.

Mr. O'Brien stated he had looked at those numbers a short while ago, and although there were always variables he had been surprised that they were very similar.

Chairman Bock stated it had been mentioned that they had lost eleven teachers in 2009-2010 and that had been news to him in that he had thought they had not cut any teachers. Mr. Hamm stated some had retired.

Mr. O'Brien stated some had been lost through attrition, in that the positions once vacant had not been filled. He said overall the last few years they had cut 29 positions, some of which were in Central Administration.

Mr. Logan clarified that those 29 were for all positions, not just teachers.

Mr. Hamm stated he spent a lot of time looking at the connection between technology and smart boards and the results based on that technology. He had a hard time finding a direct connection to that. There was a lot of anecdotal information but he would like to hear others' thoughts on that. First and foremost, many times it was a matter of the PTA at individual schools that closed the gap and made things better at those schools. When you talked about equity, they had some schools with PTAs that had put smart boards in every room or other types of things, because the principal of that school had looked at that as a need. His daughter had taught at a school for two years that had a smart board and had transferred to a school that did not have one, and she had said to him that she felt like she had stepped back into prehistoric times. She had had to totally revamp her teaching approach to accommodate the lack of a smart board. But, she was very happy to have learned that she would have a smart board next year.

Chairman Bock asked if the smart boards were largely paid for by the PTAs. Mr. Hamm stated many were, but some were provided through the technology budget. In terms of flexibility, the schools made the decisions about how they spent their technology budgets.

Commissioner Stewart stated it had been said they had experienced a 29 position reduction. She asked how much was the State and federal cuts last year out of the budget. Ms. McManus stated the federal had increased. Commissioner Stewart said if the federal allocation had increased, had the State decreased its allocation last year.

Mr. O'Brien stated he believed the State had cut \$3 million each from the last two years' allocations.

Ms. McManus stated they had used federal stimulus funding to fund quite a few teaching positions. They had approached the County Commissioners about how they thought some of that money should be used for the coming year and had received approval to do that by shifting around how some of the teachers were funded. But, that federal money was temporary for only two years which was no longer available.

Mr. O'Brien said they had experienced \$6 million in State cuts, they were losing \$6 million in stimulus funds, and they also had in their budget from year to year certain inflationary items.

Commissioner Stewart stated to clarify, last year they had increased the property taxes for an additional \$3 million to the school budget. Mr. Logan stated those funds were for the operation of the school system but a part had been designated for the opening of Margaret Pollard Middle School as well as for a new charter school.

Chairman Bock asked the School Board if they had any questions for the Commissioners.

Ms. McManus stated they would want an answer to the question that if they had anything they did not yet know about the schools and their operation they would like to hear it.

Commissioner Kost stated she believed they did have issues other than budget issues. She stated one was that the County had received the census data and they knew that the districts were way out of kilter and that they had four districts for elections but had five Board of Education members. Her question would be that they had talked at one point about redrawing the districts and having the districts be the same, and asked was that still the case. She had also brought up the issue several times that they needed to begin that process now, since they had told the citizens that they would look at district voting or some sort of combination of districts and at-large. They had a lot of work ahead of them and they needed to figure out how they would approach that.

Mr. O'Brien agreed that the voting districts based on the new census were very different from what they had had in 2000, so they were way out of kilter.

Ms. McManus agreed, noting she had honestly felt like in general the School Board had at one point said it was going to follow the Commissioners suggestion and redraw the districts, but the Board make-up had changed since they had last had that conversation.

Mr. Hamm stated that for him personally it was important that the people of the County were well represented, whether by district or by the County at large. But, the point was to get fair representation whether that meant seven representatives and the County was divided up so that the districts had equal population, or something else. Obviously, geographically the western portion of the County might be bigger, but at the same time if they had five representatives with two at-large, he believed in all fairness to the citizens they needed to have closer representations. In order to do that they may need to add two members, and believed their population numbers warrant that.

Commissioner Kost stated she also believed that Chatham County was somewhat unique and did not feel that the General Assembly had to approve school districts. There was a quirk in the law, and suggested what they should do if all agreed was to get a local bill to get that changed so that it was a local decision. There was no reason why the State should be determining the Board of Education districts in the County.

Mr. O'Brien stated he was curious if the Commissioners were in agreement that redistricting should take place based on the new census figures.

Chairman Bock responded he believed they were in agreement..

Mr. O'Brien asked did the Commissioners believe that should take place immediately or should it take place next year.

Chairman Bock stated he believed they would have the specific data in the next couple of weeks plugged into the County's GIS system which would then allow them to determine the next steps. He stated that he believed that sooner rather than later they should get the process started. Whether there were five people or seven people on the Board of Education to him made no difference.

Chairman Bock stated that one thing that had come up was to look at charter schools. Parents that sent their children to charter schools did not have all the same services that traditional schools had, including such things as gyms and sports programs, and the parents accepted that. His question was that they were talking about building an east high school for 900 students, and asked was it possible to build a 400-student high school without all of those other things, expandable to twelve, and do it in perhaps three steps or four steps rather than just two steps. His point was to get something on the ground, in that there were people on the east side of the lake that would be open to that given the equity issues. He wondered if that was even possible.

Ms. McManus stated it may be possible, but there were more people that would be screaming about not having those services than there were people that would be happy to build a new school. She would be very surprised if people would be satisfied with that. Then there was the question of building that school before it would have to be built for the eventual class size, and that was an expense that would be hard to justify. Some schools might not have gyms, and to offer P.E. they had to have gyms and the State mandated they had to offer P.E. at the high school level, which was why high schools had gyms.

Chairman Bock stated he believed they would find that some parents would be accepting of that, noting he wanted to get a school built sooner rather than later but he did not want to raise taxes to do it. His point was they could build a smaller school that was expandable, and enlarge it in stages. He did not need an answer tonight, but it was something that had come up that had struck him as interesting and they should think about it.

Mr. Hamm stated at the current numbers they had right now for the next 20 years, Northwood was large enough to handle the upcoming classes that were scheduled to move up.

What they needed to do was build a new elementary school and somewhere around Mt. Gilead Road would be the ideal place. Whether there was land there available and affordable was also the question, but from looking at their projections a school needed to be in that general location to be able to serve the area. Right now, there was no effort to look for land to build a school, but those initial steps in his opinion needed to be started. At the same time, he would say that a high school was also a reality, but one thing he had alluded to before was that they could not afford to have two nationally known arts departments at schools that would basically be cutting Northwood in half until the day came that enough people moved in to sustain another high school. But, that was "x" number of years away. In the process of combining North Chatham and Harrison into Pollard, and the reality of only half of the children getting to play basketball, the question had come up could they have an A and B team, and the answer was no. So, there was that question of equity again whose reality had really hit the students who no longer had the opportunity to play on sports teams that they had been able to play on in previous years. They needed to be looking for land, perhaps not right now but very soon.

Commissioner Kost stated they had talked about community schools and had talked about small schools such as Bennett, Bonlee, and Moncure, but there was a distance factor when talking about a high school. She lived on the east side of the lake and there were people who went 25 to 28 miles to the high school and 14 miles to the elementary school and perhaps 17 or 18 miles to Pollard Middle School. That was a long way for children to travel, so when she had gotten all the emails from people talking about the amount of time their children would be on a school bus, she had thought that was bad but compared to what it was in the eastern part of the County those were not really long bus rides because the schools were a lot closer. They had talked about equity a lot tonight, and if they were really going to talk about equity lets talk about community schools for the entire County. She believed there were many parents who would love to send their children to an elementary school with 200 or 300 children with a class size of 15. Those were the discussions they had to have, noting because they had children on the bus for those long periods of time they needed to have a serious discussion about getting these schools built.

Commissioner Stewart stated for clarification, was Mr. Hamm stating that they needed an elementary school first before they needed a high school. Mr. Hamm stated that was his opinion only and the rest of the School Board did not appear to agree with him. He stated they were in a major recession at present, and even if the numbers were not yet there they would need both eventually.

Mr. O'Brien stated that it was a good point that they needed to begin now to identify property, and there was no reason why they could not start that now. He suggested perhaps they needed to put together a search committee made up of members of the Board of Commissioners and the School Board as well as members of the public.

Mr. Logan stated that based on a survey he had seen in January, there would be a sooner than later need for an elementary school and the location for that school was suggested somewhere between Ferrington Village and Pittsboro.

Commissioner Kost stated that was based just on population, and the distance factor that they could not continue to ignore. Mr. Logan stated that distance was a factor in every school organizational decision that they made.

Ms. McManus agreed, particularly with the lake sitting where it was.

Chairman Bock stated that with all the good information that had been provided tonight, perhaps they could now figure out what the next steps might be, and he was open to suggestions on that. He agreed they needed to look more closely at the distance factor.

Commissioner Cross stated he had already been looking at some southeast park land in the Moncure area that would also hopefully house a future school for that area. He had looked at six parcels so far but had not found anything that was suitable. But, he would be looking soon at two parcels that were about 100 acres each, and he would like another Commissioner, Mr. Hamm, another School Board member, and David Hughes and the Recreation Director to be involved in that. When he had two parcels that he believed were suitable, he would like the two Boards to look at them as a group and decide which of the two the better option was. He was looking for a minimum of 100 acres, and now was the time to do that.

David Moody, Assistant Superintendent of Schools, stated he believed they had walked that land before.

Commissioner Cross stated that land was not available and it was too high at \$4.5 million. He stated he had some less expensive land he would be looking at.

Commissioner Kost said that was all a part of land banking while land was still relatively cheap, and because they did not have a park they were trying to identify land for parks and schools in the southeast.

Mr. O'Brien stated that they had some other requirements, such as they had talked about a school with a reasonable size gym, and there may be other areas they needed to consider as well.

Commissioner Cross stated he wanted to clarify the money they were talking about came from the Recreation Funds, and the County was split in half. They have a southwest park and the Silk Hope park and the northeast park and one going in on US 64, but they had nothing in the southeast. The previous Board and this Board had agreed that \$500,000 in that pot of money could only be used to purchase land for a park. That did not preclude them from having both a park and a school, and that was why they were looking for a large track. The funds could not be used for developing the land or anything else, just for the purchase of the land. That amount would not pay for the parcel he was looking at, noting it would likely take twice that amount, but financing could likely be worked out to cover the other half. That was why that particular pot of money was only for the use for a park in the southeast, and even though they did not need a school there at present it was really for a park.

Chairman Bock stated that even if the school was off into the future, he believed they should assign someone to be responsible for doing that. Mr. Logan stated he believed they should bring back their consultant and share with the Board information regarding population projections.

Ms. McManus stated the Commissioners could also ask the consultant that if a school was built east of the lake, then where east of the lake they should be looking for land.

Commissioner Kost stated she believed they needed that data; that is, where the priority site was for the next elementary school. That was really what they were talking about right now.

Commissioner Cross stated that as far as growth projections, that would obviously come back as being greater in the northeast. They were aware of a builder that would perhaps be willing to give the County a piece of land if the County would give them some more density, but they did not yet know if they could do that. He asked was 20 acres enough for an elementary school. Mr. Logan replied that was close, but 25 acres was better. Commissioner Cross asked if 20 really good, useable acres would work if they were free.

Mr. Moody stated they could reduce the amount of the land they would have to have.

Commissioner Kost asked did they want to form a Northeast Search Committee made up of staff and perhaps two Commissioners and two School board members. She stated she would be happy to serve on that Search Committee.

Committee Petty stated he would be willing to serve as well.

Chairman Bock stated then that was two Commissioners, and asked who from the School Board would be willing to serve. Ms. McManus stated that Mr. Hamm and Mr. O'Brien had volunteered to serve, and David Moody would be their staff representative.

Chairman Bock stated that all of the new census data should be plugged into the GIS in the next two to three weeks, and once they had that information then they could figure out what the next step would be.

Commissioner Petty stated that he did not understand some of the things listed in the budget, and asked what the Class-Scape and Blue Diamond Assessment Program was and why would that be something that someone would want. Mr. Logan responded that it was a student

assessment tool. He stated that presently the State had reduced the high school accountability model in that it pulled out some of the high school tests that were required. They also used assessment at the local level to benchmark, to determine, how well they were doing. He believed it was absurd and irresponsible to teach all year and then one day test to find out how they were doing. The Blue Diamond and the Class-Scape were two benchmarking tools that were used periodically throughout the school year that were aligned to their standard course of study to determine how well they were doing. It was proposed that they continue to use that but only for half of the year, but they were proposing to continue to use Class-Scape because they needed some tool to benchmark to test along the way to determine if they were doing a good job and the children were learning what was being taught. If not, then they needed to go back and modify the instruction so that they could catch such issues before they were too far along.

Commissioner Petty stated that in order to manage something you needed to be able to measure it, so he agreed with that. But, they needed to understand what the programs were, what the cost associated with those programs were, and were they both necessary. If he understood correctly, they would be doing away with one of them. He asked what the cost was associated with the Class-Scape. Mr. Logan stated he did not have that information with him.

Mr. O'Brien stated that since the State had now discontinued the EOC testing, the question was what they would use in place of that assessment, if anything. He would have to recommend to the Board that they have some tool to measure how they were doing. He did not believe it was responsible to teach a subject and not measure along the way how well they were doing.

Mr. Leonard stated the State had not dropped all high school testing. Mr. Logan stated that was correct, but had dropped Biology, Algebra I, and English I.

Commissioner Stewart asked if the County funded every student taking the PSAT. Mr. Logan replied yes, and a portion of that was paid by the State. They also paid for the cost of AP testing. Commissioner Stewart stated if a student did not intend to go to college did they automatically take the test. Mr. Logan stated the PSAT was generally given to all students. Commissioner Stewart stated even if they had no plans for college. Mr. Logan replied yes, and that was why the State picked up part of the tab. There was a push to get more students to attend college or community college, and the PSAT could be used to assess that student. Commissioner Stewart stated then it was used as an assessment tool. Mr. Logan replied yes, as well as how to sequence them through high school.

Ms. McManus stated that someone had brought up Alamance County's school budget, and she had been curious about that. She stated that in the same way a larger school had more expenses because of volume, and because there was only one principal per school a small school would have a principal at the same salary range as a larger school, she had looked into Alamance County. They had a tremendous number of employees in their Central Administration. She stated Alamance's operating budget was \$193+ million dollars so it was a very large system. But, they had only one superintendent, one finance officer, one HR director, and so on.

Commissioner Petty stated he understood the efficiency of numbers, noting they were looking at a \$193 million budget and Chatham was looking at 5.4% of a \$75 million budget. He was trying to understand how it could be that much different, even if the numbers were half wrong. Ms. McManus stated she was curious as well.

Mr. Logan stated that the reduction in funding was coming at the State level due to the downturn in the national economy and the loss of available money. North Carolina at this time ranked 42nd in the nation in educational funding. And yet, no one talked about a funding gap. Our State does not continue to support public education at the same level it did five years ago, then those expenses would be passed down.

Commissioner Petty stated that the County did fund at a consistent level although the State did not.

Chairman Bock thanked the members of the School Board for attending and for presenting their budget. He asked that they really focus on those items highlighted tonight and to make to so that they could look at the citizens and say with all truthfulness with the money they were spending the priority was on the classroom.

Ms. McManus stated she appreciated the discussion today and would like to do it more often. She said as emails and questions were received, she would like for them to address those issues. Whether that meant a phone call or a joint meeting like this one, she did not want those questions hanging over them unanswered.

Commissioner Kost stated the one thing that had been discussed was alternating the nights of meetings, because she would like to attend more School Board meetings but they were on the same nights as the Board of Commissioners' meeting. She asked was the School Board considering a change in meeting nights.

Ms. McManus stated it had been mentioned but they had not yet discussed it.

Commissioner Kost stated that the Board of Commissioners met on the first and third Mondays of each month. Ms. McManus stated the School Board met on the first and second Mondays. She stated they did not want to change the night that they met on, but it could be a different Monday night. She stated in their schools Tuesdays through Fridays were sports activities.

Commissioner Kost stated if the Board of Commissioners did the first and third Mondays and the School Board did the second and fourth Mondays, then they would all have the opportunity to attend all meetings. It was something to consider since many citizens were interested in what both Boards were doing and that kind of schedule would give them the option to attend both Boards' meetings.

Ms. McManus asked that the Board think about whether they were willing to change their meeting nights.

ADJOURNMENT

Commissioner Kost moved, seconded by Commissioner Cross to adjourn the meeting. The motion carried five (5) to zero (0) and the meeting was adjourned at 8:28 PM.

Brian Bock, Chairman

ATTEST:

Sandra B. Sublett, CMC, NCCCC, Clerk to the Board
Chatham County Board of Commissioners