

MAY 25, 2010

MINUTES OF MECKLENBURG COUNTY BOARD OF COMMISSIONERS

NORTH CAROLINA  
MECKLENBURG COUNTY

The Board of Commissioners of Mecklenburg County, North Carolina, met in Special Budget/Public Policy Session in Conference Center Room 267 of the Charlotte-Mecklenburg Government Center located at 600 East Fourth Street at 3:00 p.m. on Tuesday, May 25, 2010.

ATTENDANCE

**Present:** Vice-Chairman Harold Cogdell, Jr. and Commissioners  
Karen Bentley, Dumont Clarke, Neil Cooksey  
George Dunlap, Bill James, Vilma Leake and Daniel Murrey  
County Manager Harry L. Jones, Sr.  
Clerk to the Board Janice S. Paige

**Absent:** Chairman Jennifer Roberts

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*Commissioner Clarke was absent when the meeting was called to order and until noted in the minutes.*

*The meeting was called to order by Vice-Chairman Cogdell.*

*The purpose of the meeting was to receive budget presentations from Charlotte-Mecklenburg Schools and Central Piedmont Community College.*

**(1) CHARLOTTE-MECKLENBURG SCHOOLS (CMS) BUDGET PRESENTATION**

Charlotte-Mecklenburg Board of Education Chairman Eric Davis made opening remarks, which included an overview of CMS' Academic Accomplishments.

*Commissioner Clarke entered the meeting.*

Board of Education Chairman Davis then turned the presentation over to School Superintendent Dr. Peter Gorman. Dr. Gorman presented CMS' Budget Request. He was assisted by Finance Officer Sheila Shirley. The following was covered:

- \* CMS Framework for Budget Development
- \* 2010-11 Board of Education Proposed Budget
- \* Comparison to Prior Year
- \* 2010-11 Board of Education Proposed Operating Budget Revenue Sources & Revenue Trend
- \* 2010-11 Board of Education Proposed Operating Budget Uses
- \* 2010-11 Board of Education Proposed Operating Budget by Area
- \* CMS Staffing Mix
- \* Proposed Budget Reductions & Redirections
- \* Factors Increasing the 2010-11 Proposed Budget
- \* Program Expansion & New Initiatives
- \* 2010-11 Board of Education County Budget Request – Operating & Capital Replacement
- \* Child Nutrition Proposed Budget
- \* After School Enrichment Program Proposed Budget
- \* Budget Reduction Scenarios

- \* American Recovery and Reinvestment Act of 2009
- \* Comparative Data
- \* Trends in Funding from County

***A copy of the presentation is on file with the Clerk to the Board.***

Comments

Commissioner Dunlap asked what level of funding would be necessary to continue the gains made by CMS. *Dr. Gorman said it was difficult to give an exact number but what would make it more difficult to continue the gains would be the Scenario 5 reductions which were about \$17.8 million.*

Commissioner Dunlap said there were a lot of people who question CMS' continued funding of the area office sites (Learning Communities). *Dr. Gorman said the sites were there to supervise and support schools.*

Commissioner Dunlap with respect to Capital Replacement asked about the current furniture replacement policy. *Dr. Gorman said CMS would not be replacing furniture unless it was for safety reasons.*

Commissioner Bentley asked for clarification on the County's portion of CMS' budget percentagewise. *The response was 28.8%.*

Commissioner Bentley asked was the County the only funding entity that CMS makes a formal presentation to with respect to their budget. *The response was yes.*

Commissioner Bentley asked about CMS staffing and the cost of the 109 positions listed in the presentation under Central Administration. *Dr. Gorman said he didn't have that information with him but would provide it.*

Commissioner Bentley asked were the 25 Central Office positions listed under proposed budget reductions and redirections vacant positions. *Dr. Gorman said it was a combination of vacant and filled positions.* Commissioner Bentley asked how many were filled and how many were vacant. *Dr. Gorman said he didn't have that information with him but would provide it.*

Commissioner Bentley with respect to Employee Benefits, health insurance, asked how much did employees pay and what's CMS' contribution. *Finance Officer Shirley said CMS pays for employee only coverage and that if additional coverage is desired the employee pays for that.*

Commissioner Bentley referenced the teacher/student ratio listed under Scenario 4 and asked what was the teacher/student ratio mandated by the state, which was addressed. *It was noted that it's based on grade level.*

Commissioner Bentley asked had there been any discussion regarding privatizing food services and janitorial services, which was addressed. *It was noted that food services dollars cannot be moved over to the general fund.*

Guy Chamberlain with CMS said it wouldn't make sense to outsource Child Nutrition Services because it's an enterprise fund. He said CMS is reimbursed for a majority of its meals by the federal government. Mr. Chamberlain said CMS does charge the non free & reduced students \$2 for their lunch, which has been the cost for ten years. He said currently there's a surplus in that budget, thus CMS makes money every year.

Mr. Chamberlain said with respect to custodial services that consideration was being given to outsourcing certain portions.

Commissioner Bentley referenced the \$12 million dollars the County Manager recommended in his budget for CMS capital and asked that CMS elaborate on that. *Mr. Chamberlain said the majority of*

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*that amount would be for two high schools that are scheduled to open. He said it would not include the bidding of any new work.*

Commissioner Bentley asked if past discussions regarding deconsolidation efforts prompted the establishment of the Learning Communities. *Dr. Gorman said he wouldn't say that it drove it, but that it was rather from community feedback of people not feeling in touch with schools at that particular time.*

Commissioner Murrey commented on Program Expansion & New Initiatives and asked was it correct that these were needed in order to maintain the gains that had been made by CMS; also that this was maintained in each of CMS's scenarios. *Dr. Gorman said yes.*

Commissioner Murrey asked Dr. Gorman to address the furlough option CMS was seeking through state legislation, which he did.

Commissioner Murrey asked what flexibility did CMS have when it came to employee benefits. *Finance Officer Shirley said the dental and life insurance plans were the only two plans administered locally, everything else was administered by the state.*

Commissioner Leake referenced a recent article in the Charlotte Observer on May 21, 2009 regarding student achievement and closing the gap. Commissioner Leake said based on what she read in the article and if it was correct, it "worries" her that "children of color" were not being educated in this district, per the ratios listed in the article.

Commissioner Leake said she was concerned about the programs that the district has that do not focus on "reading, writing, and arithmetic." She said she was concerned also when it comes to CMS' budget, that the first thing to be cut was teachers.

Commissioner Leake said she would like a report on the CMS Education Foundation, specifically the amount of funds received and the status of those funds. *Dr. Gorman said they would provide a report but that the CMS Education Foundation has been dormant for three and a half years. He said they have not been soliciting any dollars for that.*

Dr. Gorman said with respect to the article referenced by Commissioner Leake, that CMS has closed the gap over the last several years, particularly in 4<sup>th</sup> grade reading and math. He said African American students were improving their progress at a much faster rate than White students. He said all groups aren't equal in their performance in reading and math. He said students that qualify for the free & reduced lunch program were increasing their performance at a faster rate than students who don't qualify for the free lunch program.

Commissioner Leake said she would like to know the cost of the Teach for America program and how does this equate to saving teacher positions. *Dr. Gorman said Teach for America dollars came from different areas, one was that their salaries were funded by CMS. He said they get position allotments but that there was some extra cost that goes in the training for these persons. He said they also separately raise funds and CMS provides funds.*

Commissioner Leake said she would like to know what it cost the district to fund a teacher involved in the Teach America Program versus a teacher who is not.

Commissioner Leake asked how were surplus funds in the Child Nutrition program being used to improve student achievement. *Dr. Gorman explained that those funds cannot be used for anything other than the nutrition program.*

Commissioner Leake asked about the utilization of Title I, II, & III funds and how do these funds reduce the County's cost to provide for those same students. *Dr. Gorman said there was not a direct trade off. He said federal dollars have increased over time, which in totality has made up for decreases. He said Title I funds go way beyond the achievement zone. He said they go to schools with 75% of the students living in poverty, which was dramatically exceeding the achievement zone. .*

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Commissioner Leake asked was it correct that the federal dollars take care of that portion of the district, when we speak of low performing students based on poverty. *Dr. Gorman said no. He said it's way more than that. He said that's one piece to supplement not to supplant and that it was not nearly enough to deal with the challenges those children have.*

Commissioner Leake questioned the need for the Learning Communities and asked how could those funds be redirected and used more for student achievement. She asked how much money could be saved if they were not there. *Dr. Gorman said the cost of the Learning Communities was \$3.6 million.*

Commissioner James commented on CMS' budget reduction scenarios and the cutting of teachers and teacher assistants. Commissioner James asked why stimulus funds couldn't be used to save teacher and teacher assistant positions, rather than using stimulus funds to pay for the Bright Beginnings program. *Dr. Gorman said the use of some of those funds was restricted to certain uses. Further, with respect to funds being used for the Bright Beginnings program, that was the choice made by CMS. Dr. Gorman said the Bright Beginnings program was a priority for the district.*

Commissioner Cooksey asked about the current trends for Charter Schools, which was addressed.

Commissioner Cooksey asked about the cost per pupil for students in Charter Schools. *The response was that information would be provided but it's around \$2,200 per student.*

Commissioner Cooksey asked about the elimination of funding for AP/IB exams which was addressed.

Commissioner Clarke asked for clarification regarding ADM teacher reductions which was addressed.

Commissioner Clarke asked if Scenario 5 could be avoided, how much would it cost to save teacher positions. *The response was \$17.8 million, state and/or county funding.*

Vice-Chairman Cogdell asked about the adoption of the state budget which was addressed.

Vice-Chairman Cogdell thanked the Board of Education and Dr. Gorman for their presentation.

## **(2) CENTRAL PIEDMONT COMMUNITY COLLEGE (CPCC) BUDGET PRESENTATION**

Dr. Tony Zeiss, President of Central Piedmont Community College presented CPCC's budget request. He was assisted by Kathy Drumm, Executive Vice-President and Michael Moss, Finance Director.

The following was covered:

- \* CPCC Vision
- \* Campus Locations
- \* Student Make-up
- \* Impact on the Community
- \* Performance Report 2009
- \* Dislocated Worker Initiatives
- \* Growth
- \* Operating Budget Components
- \* Capital Reserve Projects
- \* County Funding FY 06 – FY 11

Comments

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Commissioner Murrey asked about the operating budget and the additions for 2010-2011, the health insurance cost increase. He asked would there be any changes in co-pays or other impact to employees and does CPCC have any flexibility in this area. *The response was no because CPCC was under the State Health Plan.*

Commissioner Murrey asked was the security increase a contractual increase or because of more people. *The response was that it was a combination of both, but it was more of an increase in the rate. It was noted that CPCC was working with County staff regarding its security services and possible alternatives that might be less expensive and would not require hours of coverage to be reduced. It was noted also that CPCC often uses Charlotte-Mecklenburg Police Officers and that rate is set. In addition, student fees would be increased to assist with the cost of security.*

Commissioner Murrey asked about capital requests and was the items listed, such as roof repairs and electrical panels, capital reserve projects or maintenance projects. *The response was that they were maintenance projects but fall in the category of capital reserve requests because the cost is greater than \$100,000.*

Commissioner Murrey asked how much private money had been raised by CPCC. *Dr. Zeiss said most of the money raised goes towards scholarships for students in need of assistance. Dr. Zeiss said \$6.5 million was raised this year. He said \$500,000 was raised to hire part-time teachers. He said at the grants level they received around \$12 million; stimulus funds around \$3 million. Also that congressional representatives have assisted in obtaining funding for new programs, around \$2 million.*

Commissioner Murrey asked if it was known what happened to the 5,000 potential students that were turned away. *The response was no.*

Commissioner Clarke asked were community colleges rethinking what they offer. *The response was yes and it was elaborated on.*

***Commissioner Clarke left the meeting and was absent for the remainder of the meeting.***

Commissioner Dunlap addressed the advantage of using Charlotte-Mecklenburg Police for security.

Commissioner Dunlap asked what was the gap between the County Manager's recommended budget for CPCC and CPCC's approved operating budget. *The response was \$3.3 million.*

Commissioner Cooksey asked for clarification regarding CPCC tuition and student fees which was addressed.

Commissioner Cooksey said he would like to receive historical data regarding student fees.

Commissioner Cooksey asked what percentage of CPCC's budget comes from the County. *The response was roughly \$24.5 million.*

Commissioner James asked about the status of a question raised in the past to CPCC regarding financial assistance to illegals. *Dr. Zeiss said he was waiting to hear back from the state.*

Dr. Zeiss said currently CPCC was not accepting undocumented students because the State Board of Community Colleges has said they will accept them but they have to get legislative authority to do so before they can pass that down to the colleges.

Dr. Zeiss said before the state stopped them from accepting undocumented students, CPCC had 19 students that fell in that category.

Vice-Chairman Cogdell asked for clarification regarding the methodology used to calculate full-time equivalency which was addressed.

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Commissioner Leake asked who pays for students that drop out of CMS and enroll in CPCC. *The response was that the State pays for those students. The students would be enrolled in CPCC's adult high school program or GED program.*

Vice-Chairman Cogdell thanked Dr. Zeiss and his staff for their presentation.

This concluded the discussion. No action was taken or required.

*Note: The above is not inclusive of every comment but is a summary.*

**ADJOURNMENT**

There being no further business to come before the Board the meeting was declared adjourned at 5:25 p.m.

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Janice S. Paige, Clerk

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Harold Cogdell, Vice-Chairman