



WAKE COUNTY BOARD OF EDUCATION

SPECIAL BOARD MEETING MINUTES

February 13, 2007

<u>Board Members Present</u>	<u>Staff Present</u>	
Patti Head, Chair	Superintendent Del Burns	
Rosa Gill, Vice Chair	Terri Cobb	
Horace Tart	Don Haydon	
Carol Parker	Marvin Connelly	
Eleanor Goettee	Victoria Curtis	
Susan Parry	Chuck Dulaney	
Lori Millberg	David Neter	
	Mike Burriss	<u>Board Attorney Present</u>

Patti Head called the meeting to order at 9:04 a.m. Ms. Head stated that a quorum was present; Ms. Millberg will be late. Ms. Head also stated that Mr. Margiotta and Ms. Clark will be absent, but did know about the meeting.

APPROVAL OF MEETING AGENDA

Rosa Gill made a motion to approve the meeting agenda, seconded by Carol Parker. The vote was unanimous.

CHAIR'S COMMENTS

Patti Head began her comments by giving a brief history of why the meeting was called. She made the following remarks:

On November 7, the voters of Wake County did approve a bond by 53%, which was based on a Capital Improvement Plan that we along with our County Commissioners worked on for at least 18 months and did incorporate the use of conversion dollars in order to have additional seating at the elementary and possibly the middle school level. On December 4, the first reading, as is the policy of the County Commissioners, asking for our appropriation of dollars, both for some new schools and renovations and for the conversion dollars. The policy passed on the first reading. On January 8, they only had one meeting in December in which we did too. I am not being critical, but they only had one meeting then, so January 8 the appropriations on the second reading were denied. On February 1, you all authorized me to send a letter to the County Commissioners again requesting the appropriation which I did and you had copies at our last meeting. If you would like another copy I certainly will give it to you. We certainly talked about what the delay meant for

our teachers and for our students in the fact that we did not have the mobile/ modular units and that we needed the carts so that the teachers could be preparing for the 4-track year-round. As I said, I shared with them a lot of information that Donna Hargens shared with us about the delay in contracts and what that means in getting the modular units in place and then again, requested that they approve the funding per our request. What did take place on February 5 is that they did receive our letter. They even spoke about it at their meeting. They did approve dollars for our renovations and the modular units for the traditional campuses to increase our capacity there. But again, they denied the appropriation for conversion and modular units we needed for that. Hence, that brings us to today for this special called meeting. The subject is funding for year-round conversion costs for 22 schools and associated moving of mobile units. Hence, that brings us to today for this special called meeting. The subject is: Funding for Year-Round Conversion Costs for 22 Schools and Associated Moving of Mobile Units.

Susan Parry made the motion to approve funding seconded by Eleanor Goettee.

Funding for Year-Round Conversion Costs for 22 Schools and Associated Moving of Mobile Units

David Neter made a presentation to the Board requesting funding for the cost associated with converting 22 schools to the year-round calendar. The funding that is being requested includes the moving of mobile units, teacher carts, teaching materials, library books, and related supplies. Funding for the teacher carts, teaching materials, library books, and related supplies will come from the undesignated fund balance in the amount of \$1, 523, 660. Funding for the relocation of mobile units will come from current capital outlay budget and also from the undesignated capital outlay fund balance.

Don Haydon gave a summary of the agenda item. Mr. Haydon stated that we will be relocating 18 additional modular/ mobile classroom units at elementary schools and 7 at middle schools for a total of 25 new units. We estimate that will take about 1.4 million dollars and money available at about \$730,000, leaving a requirement of an additional \$670,000 from fund balance.

Susan Parry requested that the numbers be repeated. It was estimated that 1.4 million dollars are required, and we have \$730,000 available in operating budget now, leaving a need for an additional \$670,000. Mrs. Parker noted that Harris Creek originally had 4 mobile units. Don Haydon replied that we have postponed that need for 1 year. Mr. Dulaney went out and met with the principal, walked the campus, and worked around how the principal was going to provide classrooms for next year and be able to accommodate without the mobiles for this year; however, we will need them for next year.

Carol Parker questioned whether or not other schools had been visited to see if there are other ways to work around providing the mobile units. Mr. Haydon replied that Mr. Dulaney has met with every school that is being converted to talk with the principal, walk the campus with them and work out in detail how we can use every space in the building to accommodate students.

Mrs. Parker asked for clarification of the capital outlay funds and why that would not take approval by the County Commissioners. Superintendent Burns replies that it has been our practice to use capital outlay funds in the current expense budget for the move of mobiles and modulares and is consistent with past practice. As a reminder, your undesignated fund balance has two components. An operating funding component and a capital outlay component. The action that is being requested today is to both appropriate from undesignated fund balance an amount from the operating funding and that is in the amount of \$1.5 million and from the Capital Outlay undesignated fund balance \$670,000 to add to the \$730,000 that exists in your current year's operating funding for capital outlay.

Mrs. Parry inquired as to what needs would be held against the capital outlay undesignated fund balance. It was shared that it would be a matter of renovations that might be needed or an emergency move of mobile/modulars. The total undesignated fund balance is approximately 22 million dollars.

Mrs. Parker inquired about the original request, where there were moves of Wakefield Elementary mobile units to regain play space and at Leesville. Mr. Haydon noted that they were included in the funding that the county commissioners approved and that they are going to traditional calendar schools to increase capacity.

Mrs. Parry inquires about the money for the teacher carts, library books, and related supplies... assume some of that is funding that would be required due to the increased number of children regardless of where they were assigned to school

Mr. Tart asked what the total amount is coming out of fund balance. Mr. Neter replied, "1.523 million dollars, plus the \$670,000 from the undesignated capital outlay fund balance, which is approximately 2.1 million dollars". Mrs. Parker noticed that there is a difference in the amount of expenditure for the carts from the original request. Mr. Neter replied that beginning back in the fall, our Purchasing Department and Caroline Massengill began extensive research, working with several principals going through the conversion to redefine and redesign the carts, which gave us the opportunity to get several more bidders involved. We were able to cut the cost by approximately 40% as a result.

Rosa Gill asks if and when the County Commissioners decide to release the money, can we ask that it be used to replenish the funds that we are now using? Superintendent Burns assured her that, "Yes, in some form or fashion that can happen because you're taking this from fund balance. Expenditure can be substituted so that you have the same net effect". Mrs. Parry questioned if this allocation needed approval from the County Commissioners Superintendent Burns states, "since we're working within existing funds, and existing fund balances, we're staying within capital outlay, both for undesignated fund balance appropriation and current capital outlay, and in operating funding, it does not require County Commissioner approval."

Mrs. Parker states that there has been some question raised in recent articles and letters about the legality of taking those funds. Superintendent Burns states that "You have control over the undesignated fund balance, both operating and capital outlay, as a Board of

education. Where you can not go is transferring from capital outlay to operating or operating to capital outlay without County Commissioner's approval. You are staying within the categories of capital outlay and operating. It is within your authority and the last conversation that I had with your Board attorney was that you have the authority to do that".

Mrs. Parry asks if the Commissioners have indicated to us in any way, or do we have any reason to believe that they will be resistant to funding the expense or similar kinds of expenditures for the carts and books for newly opened year-round schools to which children are assigned. Chair Head responds, *"There has been no indication that they would not fund it. The correct terminology, however, is that they are withholding the funds because it's been stated that they want to be sure that there are some alternatives for families that we put those in place both with magnet applications, looking at every possible place to increase the traditional calendar seating and of course the application process alternative calendars both for traditional and year-round, which they can be applying for. So my understanding is that it's being withheld at the moment to see how this all plays out in the next month.*

Ms. Parry then stated that during the very last stages of the student assignment discussions we were able to pull together some additional traditional seats in some schools as we finalized that plan. Have we provided the commission with a very clearly articulated list of all of the opportunities available? Chair Head replied *"There will be another leadership meeting tomorrow and we will have all of that prepared for them in a folder that we will be explaining as well as the magnet process and how you can apply and how decisions are made and any other questions that they may have. And in preparation for our joint meeting for next week as we discuss agendas so it will officially be shared with them then. We also have that opportunity next Wednesday as two boards meeting together that we can share it, but the leadership will certainly get that information"*.

Lori Millberg clarifies that the Board is not finding seats that we didn't know we had. For example, we decided to leave Combs Elementary slightly more crowded than we would like it to be to have empty seats at Swift Creek that we can use for children to have a traditional calendar option. I don't want to give people the misimpression that we don't know how many seats we have. We do. We're trying to distribute kids differently and intentionally have some schools more crowded than we would like in order to provide these options.

Mrs. Parker then asked to have information about the costs of the mobiles shared. She had previous information showing lower than the per unit cost than those that are shown on this funding request. Mr. Haydon replied that costs are going up, the prices we are experiencing now are higher, and that we have a one shot opportunity to get the additional money in the pot. We are estimating high, in hopes that it won't be quite as much, but we have increased the estimate to make sure we have enough to cover the 25 moves that we talked about here.

Mrs. Parry thought that earlier bids had been prepared and distributed for some of the moves and then had to be pulled back. Don Haydon clarified that Mike Burriss' staff had set up packages of mobiles and modulars. When the freeze took place, the staff had to go back and split those to separate them, so that we could go ahead and move forward with the ones we had the funding for. He actually did have some bids on the street that we had to put on hold until we figured out what the outcome would be and whether we could go forward with those or not, so there was time definitely lost.

Mrs. Millberg asked if we lost any cost savings in that process; was the way they were packaged before a more cost effective way to do the work? Mr. Haydon replied that perhaps if we ended up with smaller packages we might have lost a little economy, but at the time, he really couldn't answer definitely. Mrs. Parker inquired on the timeline of the installation and where these classrooms are needed. Mr. Haydon replied that would be discussed in detail at the Facilities Committee meeting, which was scheduled to be held immediately following this Special Called meeting. However, he thought they would be looking at September and October before we get the last units. Some will be earlier and may be in place by the time school starts in July, but there will be others that you can't do all at once, so there will be some that will come a little bit later. Mr. Haydon's staff will be working with the principals and the schools to make sure they're aware of the schedule and to work with them on how they can temporarily use the media center or wherever else they can until they get the units in place. The other piece is the unknown of how long it will take to get through the permitting process. Mrs. Parry was concerned with the timing for these schools, and Mr. Burriss said, "Our architects have completed their packages and we will review that in our Facilities Committee meeting coming up. And then I can give you an estimated timeframe per municipality of their delivery per their standard routine."

Mrs. Parker is concerned with the 4 units being removed, that the play field is not being reconstituted that was lost during the renovations at Millbrook High (the practice field). Don Haydon reassured her it will be reconstituted, that it is a part of the removal process, and that they will restore what was there (the practice field).

Mrs. Parry was concerned about the timing on the library books, related supplies, and carts. Mr. Neter stated that he believes that we can get the materials in place by the start of the year. Mrs. Parker asked that the schools that are being talked about with mobile units be identified for the public and listening audience. Don Haydon reads the list as follows:

Green Hope Elementary	3 classrooms being added
Harris Creek Elementary	0 classrooms being added
Highcroft Elementary	3 classrooms being added
Holly Springs Elementary	6 classrooms being added
Lockhart Elementary	0 classrooms being added
Salem Elementary	6 classrooms being added

18 total for Elementary

East Wake Middle	7
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7 total for Middle

25 total classrooms

The motion to approve Funding for Year-Round Conversions Costs for 22 School and Associated Moving of Mobile Units was read. The vote was unanimous.

CLOSED SESSION

Rosa Gill made a motion to go into closed session at 9:33 a.m. to consider confidential student information protected under the Family Rights and Privacy Act (FERPA) and G.S. 115C-402. The motion was seconded by Eleanor Goettee. The vote was unanimous.

ADJOURNMENT

There being no further business coming to the Board, on a motion by Rosa Gill, seconded by Susan Parry, the meeting was adjourned.

Respectfully submitted by,

Melissa R. Christmas, Recording Secretary

Patti Head, Chair, Wake County Board of Education