

The Board of Commissioners for the County of Cabarrus met for a Joint Meeting with the Cabarrus County Schools Board of Education in the Multipurpose Room at the Cabarrus County Governmental Center in Concord, North Carolina at 6:00 p.m. on Tuesday, October 29, 2019.

Present - Chairman: Stephen M. Morris
 Vice Chairman: Diane R. Honeycutt
 Commissioners: F. Blake Kiger
 Elizabeth F. Poole
 Lynn W. Shue

Also present were Mike Downs, County Manager; Jonathan Marshall, Deputy County Manager; Rodney Harris, Deputy County Manager; Kyle Bilafer, Area Manager of Operations; Lauren Linker, Clerk to the Board; Susan Fearington, Finance Director; Kristin Jones, Budget and Performance Manager; and Lauren Tayara, Budget Analyst.

The following persons representing Cabarrus County Schools were also present:

Dr. Chip Lowder, Cabarrus County Schools (CCS), Superintendent; Kelly Kluttz, Cabarrus County Schools (CCS), Chief Finance Officer; Cindy Fertenbaugh, Cabarrus County Schools Board of Education Chair; Rob Walter, Cabarrus County Schools Board of Education Vice Chair; and Cabarrus County Schools Board of Education Members: Carolyn Carpenter, Holly Grimsley, David Harrison and Barry Shoemaker.

Call to Order

Chairman Morris called the meeting to order at 6:00 p.m.

Presentation on Board Relationships and Cooperation

Cindy Fertenbaugh, Board of Education Chair, presented an overview of the agenda.

Kelly Kluttz, Cabarrus County Schools (CCS), Chief Financial Officer, announced tonight's presentation was the panel discussion presented at the North Carolina Association of County Commissioners (NCACC), by her, Pam Dubois, former Cabarrus County Senior Deputy County Manager, and Lauren Tayara, Cabarrus County Budget Analyst. Ms. Kluttz stated the panel discussion will also be presented at the North Carolina School Boards Association Annual Conference in November.

Ms. Kluttz and Chairman Morris commented on the following topics included in the presentation:

- Local Board of Education Roles and Responsibilities
- County Commissioners Roles and Responsibilities (in connection with public education)

Ms. Dubois, Ms. Kluttz and Ms. Tayara presented the following topics which were part of the panel discussion:

- Status and type of funding agreements between your county and school board
- Who are the individuals (positions) in your county that are involved in working out the agreement and getting to a place acceptable to everyone
- What were/are the biggest challenges that happened while developing the agreement? Are there roadblocks that others could avoid?
- What is the county board/school board working relationship like now? Are there things that the boards would like to do with the agreement?

Ms. Kluttz continued the presentation which included the following topics:

- Fund balance for schools
 - Cash flow
 - Unknowns
 - No Budget / Delayed Budget
- State Funding - why do we need it, continued
- The Unknown - Why do we need it, continued
- No State Budget / Delayed Budget

A brief discussion ensued.

History of Teacher Supplement Increases

Kelly Kluttz, Cabarrus County Schools (CCS), Chief Financial Officer, provided the current status and a history of the teacher supplements. Ms. Kluttz accredited the success of the current status to the communications between both boards and both staffs.

Debt and Capital Needs Overview

Rodney Harris, Deputy County Manager, presented a PowerPoint presentation regarding debt and capital needs. The presentation included the following topics:

- Capital Basics
 - Definition
 - Funding Options
 - Current Revenue
 - Property Tax
 - Sales Tax
 - Fees
 - Permits
 - Fund Balance
 - Can Transfer Unassigned Fund Balance Over 15% to Capital Reserve
 - Debt
 - Bonds
 - Installment Financing
- Debt Capacity
- Capital Needs
- Upcoming Changes

There was discussion throughout the presentation. During discussion, Mr. Harris and Mike Downs, County Manager, responded to questions.

Operating Costs/Impacts of Opening New Schools

Kelly Kluttz, Cabarrus County Schools (CCS), Chief Financial Officer, provided a PowerPoint presentation regarding costs associated with the schools outside of capital costs. Costs included and discussed were as follows:

- Locally paid positions
- Unique positions at each school
- Local operating costs new school construction
- Capital costs - school size

A discussion ensued. During discussion, Ms. Kluttz responded to questions.

Cabarrus County Schools Capital Plan Priorities and Estimated Costs

Brian Schultz, Cabarrus County Schools (CCS), Assistant Superintendent of Auxiliary Services, provided a PowerPoint presentation regarding the schools capital priorities. The following topics were addressed:

- Priorities - Capital Plan Development
 - Funding
 - Borrowing capacity
 - State
 - Local
 - Age of existing facilities
 - Safety and security
 - Accessibility
 - School boundaries and feeder patterns
 - Number of students
 - Trip to and from school
 - Student matriculation
 - Growth projections
 - Where is the growth occurring
 - Functionality
 - Program purpose
 - Flow of staff and building operation and movement
 - School capacity

- How many seats available for the area
 - Land availability
 - Location
 - Land banking
 - Infrastructure and development
- Capital Plan Sequencing Beliefs
 - Prioritization of replacing 2 aging downtown Concord schools with opportunities for capacity growth
 - Prioritization of northwest section of Cabarrus County due to rapid growth
 - Additional of Beverly Hills Elementary to the capital plan
 - Prioritize capital projects to meet the needs of the students, families and development of Cabarrus County
 - Provide the Cabarrus County Commissioners a prioritized list of capital projects for funding purposes
- Projects/Facilities that match CCS goals and beliefs
 - New middle school feeder for JM Robinson High School (JMRHS) - \$54,000,000
 - New R. Brown McAllister Elementary - \$33,000,000
 - Land for Coltrane-Webb Elementary School (CWES) (if available) - \$2,000,000
 - New Coltrane-Webb Elementary - \$31,000,000
 - New Opportunity School - \$5,000,000
 - New Beverly Hills Elementary - \$24,000,000
 - New High School (Northwest Cabarrus High School, NCHS - \$83,000,000
 - Open renovation of Northwest Cabarrus Middle School (NCMS) (Former NCHS facility) - \$25,000,000
 - Open renovation of Northwest Cabarrus Elementary School (NCES) (former NCMS facility) - \$5,000,000
 - Open renovation of Mary Frances Wall (MFW) (former RBMES facility - \$10,000,000
 - Open renovation of Central Offices (former MFW facility) and auxiliary satellite - \$15,000,000
 - Land for additional high school (Central Cabarrus High School (CCHS) replace/expand) - \$4,000,000

Mr. Schultz reported on October 14, 2019, the Cabarrus County School Board voted on the following finalized sequential order of capital projects:

Priority	Project/Facility Priority Order (Not Project Completion Order)	Budget*
1	New feeder Middle School for growth (JMRHS feeder) - 2022	\$54 Million
2	New R Brown McAllister Elementary School	\$33 Million
3	New High School for growth- (NCHS)	\$83.5 Million
4	Purchase land for CWES (if available)	\$2 Million
5	New Coltrane-Webb Elementary**	\$31 Million
6	New Opportunity School	\$5 Million
7	Renovation for Mary Frances Wall (Former R. Brown McAllister Facility)	\$10 Million
8	Renovation for Central Offices (Former MFW Facility) and auxiliary satellites	\$15 Million
9	Renovation for NCMS (Former NCHS Facility)	\$25 Million
10	Renovation for NCES (Former NCMS Facility)	\$5 Million
11	New Beverly Hills Elementary School	\$24 Million
12	Purchase Land for high school (CCHS Replace/Expand)	\$4 Million

*Estimated Costs

Total: \$291.5 Million

Jonathan Marshall, Deputy County Manager, provided information regarding land banking for schools. Mr. Marshall also discussed county capital projects, needs and the additional costs associated with them.

There was continued discussion throughout the presentation.

Vice Chairman Honeycutt left the meeting at 7:45 p.m.

Next Steps

Cindy Fertenbaugh, Board of Education Chair, announced the dates for the Board of Education’s budget meetings have been set. She stated invitations will be sent out to the commissioners and staff. She advised the Board of Education will also meet to work with the Board of Commissioners and county staff for next year’s budget.

Adjourn

UPON MOTION of Commissioner Shue, seconded by Commissioner Kiger and unanimously carried, the meeting adjourned at 7:55 p.m.



Lauren Linker, Clerk to the Board