

Good Afternoon.

My name is David Oaksmith and I am the chairman of the Board of Education. I appreciate the opportunity to appear before you today on behalf of public education in Dare County.

Over the past two months there has been a lot written and said with respect to our request for an increase in funding of 5.5 million dollars to run our schools. I would like to take a few minutes to explain why we have come to you with this request. I believe you deserve an explanation of how we got where we are and I will attempt to do just that.

As you are all aware, our operational funding comes from three sources: the County, the State and the Federal government. Our overall funding from these three sources is a total of about 40 million dollars and it is this amount that we depend upon to run our schools.

There are several factors that enter into our operational funding that need to be mentioned because they all result in you providing more funding on a per pupil basis than any other county in the state.

First is that because of our county's financial well being and our capability to operationally fund schools, we receive less funding from both the Federal and State governments. Their lack of funding reduces our #1 state ranking in funding received from you, to #16 statewide in overall funding.

Secondly, because of our geography and our community's desire to maintain two high schools north of Oregon Inlet, we are operating 11 schools whereas other counties our size are operating 9 or 10 schools and most only 1 high school. It costs a ton of local money to operate 3 high schools especially when we are committed to providing the same level of academics and extra curricular activities at all of our schools regardless of their size and location. *opportunities*

The final factor in all of this is your Board of Education's goal to provide our students with an educational opportunity that will be the very best in the state. To accomplish this we have implemented several state recommended programs such as AVID and More at Four. Finally and most importantly we have, over the past several years, hired additional teachers in

an effort to reduce our class sizes. Every bit of statistical evidence we have points to the fact that smaller class sizes especially at the elementary level have a significant effect on student achievement. This past year all of our elementary class sizes were at, or slightly below, state recommended levels for the first time in the 8 years that I have served on this board. This has been a worthwhile but expensive undertaking.

I hope the foregoing has provided some background and sets the stage of the overall financial picture coupled with what our board is trying to achieve.

Over the past several years we have had a number of things happen that collectively have hurt us financially, and that were not covered by our per pupil formula.

Four years ago the state began a system of annual discretionary cuts that have collectively amounted to almost 1 million dollars. Each year these cuts would occur in the fall when we were required to return state operational funding. Each year we would be led to believe these cuts would not re-occur but they have. This has been costly.

The Federal Government has placed mandates upon us that they have not funded. Next year we will be facing unanticipated costs of over 600 thousand dollars to comply with "Exceptional Children" and "No Child Left Behind" mandates.

This past year our fuel and utilities costs skyrocketed to 1.1 million dollars over projected costs. We anticipate no reduction in these costs next year.

Finally, we are faced with increasing maintenance costs for our new and renovated school buildings and the 200-plus acres of athletic fields and playgrounds that we are responsible for maintaining. We estimate these costs at 600 thousand dollars over what we are currently receiving for maintenance.

All of these requirements and associated costs have hit us over the past 3 years. At budget time last year we requested 3 million dollars in funding to address this situation. We did not receive that funding nor did we lobby for it. At that very time we were asking you for additional capital

funding for our renovation projects at Manteo High School and Cape Hatteras Secondary School to offset the price increases of steel. Our board made a decision not to press for the additional 3 million dollars in operational funding we had requested. (In hindsight I believe this was a mistake, however, the major mistake was to attempt to maintain our small class sizes by hiring new teachers to fill in behind the resignations and retirements we had last year. We should have let some of these teachers go without replacing them. We did not do this and this resulted in us drawing down on our fund balance and cutting back on other programs to pay for these teachers and to make it through this year. I believed that replacing these teachers and maintaining our state recommended small class sizes was our Number One priority and opted to see if we could get through this past year without a reduction in our teaching staff. I advocated this position and I take full responsibility for that decision. We believe our teachers are our most important asset. They are out there in the trenches on the front line day after day. Any success our school system may achieve is a direct result of what they do in the classroom; and smaller class sizes help them to do their job well. Ask them.

When we developed our budget for next year we knew that without additional funding from you, we would be cutting programs and making reductions throughout our system. We developed a "cut list" of some 50 items and last on that list was cutting back on teachers. When we developed this list it became apparent that without an increase in our funding for next year we would be forced to make the most serious cut of all and let 14 teachers go.

Despite what you may have heard and what you may think, there was no other way and we had to plan on that course of action. We had no choice.

With the help you proposed at your budget workshop, we will be able to retain these 14 teachers and offset some of our other unfunded expenditures. We will, however, not be able to replace 20 of the 24 teachers who are resigning or retiring this year. This will result in an increase of class sizes throughout our system. We will also be forced to reduce our locally funded teacher aide positions. This will only be done after we have both eliminated and cut programs, and have made significant cuts in both school clerical positions and central office staff.

When you get into these tight budget situations and you are forced to make tough choices, everyone starts pointing fingers. I have heard some of that today. Let me state for the record that our administrative staffing and salaries are line with other high performing districts with the same number of students. I also have to tell you that our central office staff under the leadership of our superintendent and our principals and their staffs, are hard-working, dedicated individuals who earn every bit of what they receive.

Before I close I would like to take a look at what we are getting from the investment we have made in education. How are our children doing?

Over the past 5 years the average ABC test scores of our students has climbed from 83 percent to 90 percent. Over the same period our dropout rate has been reduced from 7.2% to 2.6%, the 4th lowest in the state. Advanced Placement course participation has gone from 15 percent to a high of 44 percent. High school SAT scores are at their highest and within the top ten systems in the state with a participation rate within the top 5. As a result of efforts to insure educational parity at all of our schools, the percentage difference between SAT scores at our 3 major high schools was less than 2% last year. Our athletic teams consistently, year after year, receive state recognition.

In summary I know of no single educational measure in which our students have not shown marked improvement over the past 5 years. By virtue of their performance our system has taken a position within the top ten performing systems in the state.

Finally, thanks to your board and your generous funding, the condition of our facilities has gone from barely satisfactory to outstanding and when completed will undoubtedly be the very best educational facilities in the state.

We have a lot to be proud of in Dare County, and I would ask everyone to reflect on where our system was 5 years ago and where it is today. We have come a long way.

Thank you kindly for your time. I hope that you will give our situation your deepest consideration both today and in the future.

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