



Union County Public Information Office

500 N. Main St., Room 921 • Monroe, NC 28112 • Phone (704)283-3546 • Fax (704)282-0121

News Release

Union County Commissioners Extend Settlement Offer to Board of Education

MONROE, NC (December 3, 2013) – The Union County Board of Commissioners extended a settlement offer to Union County Public Schools in place of the \$91 million court ordered amount during the Dec. 2, 2013 board meeting. The settlement offer follows repeated written requests during the past month by the Chairman of the County Commission to the Chairman of the Board of Education to meet to find ways the two groups can rebuild their relationship and move forward together to serve the people of Union County. The Board of Education responded to the Chairman’s initial request by stating that an earlier settlement offer showed no hope for a cooperative working relationship and they would like to put off any potential joint meeting until a later time. There has been no further response from the Board of Education to Vice-Chairman Jerry Simpson’s three subsequent requests for the two Boards to meet.

Vice Chairman Simpson publically acknowledged that there have been “missed opportunities and failed communication between the groups” that dates back to the 2013-2014 budget planning process. However, the commission would like to focus on building a positive future for Union County and strengthening communication between the two groups and working together is one way to achieve this. Simpson told the audience that a priority of the current board has been to reduce the debt for Union County Government, which had the second highest debt of any county in North Carolina in 2010.

The \$91 million demanded as a result of the lawsuit is simply not available. The majority of the County’s available funds are remaining water and sewer rates that have been put into savings over time. The County promised ratepayers that money would be used to fund treatment facilities, water towers, and much needed water and sewer lines. Any additional cash in the Union County account has been committed and encumbered for critical projects, like the mandated medical records system, law enforcement facility renovations, the Human Services Campus, to serve our community’s most vulnerable. Residents and businesses pay their taxes annually; the County must maintain adequate cash balances to fund day-to-day operations and debt payments during the remainder of the year. Among the payments that Union County pays each month are \$6.8 million for school operations and the \$46 million debt payment for debt incurred for UCPS. The County also funds other agencies and services. The complete 2013-14 budget is available at <http://co.union.nc.us>



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County leaders agree that it is not in the best interest of Union County's future to borrow the \$91 million and increase debt in such an extreme way. County leaders also agree that the schools need funding and want to provide an amount that is fiscally responsible.

The settlement offer last night is based on the funds available and includes a plan to incur limited additional debt which would provide funding greater than requested by the Board of Education in their FY 2014 budget submittal. The Commission appreciates the input they have received from parents and teachers since disagreement over funds began. Therefore, the Commission made special effort to include money in the offer that addresses the concerns expressed to the Board of County Commissioners by parents and teachers over the past few months. County officials wanted to offer an amount that would show they hear the concerns and want to help improve Union County Schools.

The settlement offer includes:

- \$5.3 million that was appropriated by the County on October 21, 2013, to fully fund UCPS FY 2014 Capital request and would increase safety and security for children and in schools, provide for ADA projects, technology needs, maintenance projects, athletic facilities, and \$2.4 million for requested roofing projects
- The County would borrow an additional \$9.4 million for roofs in need of repair as identified by Nelson Hall during the trial, an amount not originally requested by UCPS
- The additional \$9.4 million, along with the other \$8,357,859 previously appropriated, provides a total of \$17.76 million for FY 2014 capital needs, sufficient, based on the roofing expert Nelson Hall's assessment, to address the current roofing needs
- \$1.8 million to provide classroom teachers an average increase of \$561 per teacher to raise Union County's teacher's supplement to the State average
- \$761,451 in additional funds, from the funding formula trueup, to provide salary increases to UCPS non-classified employees
- Each party would bear its own costs and expense for litigation

The settlement offer will expire on Friday, Dec. 6, 2013, at noon. To view a full video of the Dec. 2 Union County Board of Commissioners meeting, visit the County's YouTube channel at UnionCountyNC.com.

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