

The District Five Board of Trustees met Monday, June 25, 2012, at the District Five Administrative Offices, 100 N. Danzler Road, Duncan, SC at 6:30 p.m.

The following members were present:

Mr. Steve Brockman
Mr. Gerald Cook
Mr. Rick Eitel
Mr. Garry Harper
Mr. Patrick Jarrett
Mrs. Julie McMakin
Mr. James Norman

- 1. Call to Order and Notice to Media:** Mr. Steve Brockman, Chairman, called the meeting to order and read the Notice to Media:

Spartanburg County School District Five has complied with the requirements of the Freedom of Information Act in notification of the media and other interested parties and organizations and posting of the agenda.

- 2. Open Meeting with Prayer:** Mr. Garry Harper led the opening prayer.
- 3. Approval of Minutes – May 21, 2012:** The minutes from the May 21, 2012 meeting were approved as presented.
- 4. Action Agenda**
 - a. Policy Committee Recommendations: Revise / Accept new section D:**

DA – Fiscal Management Goals/Priority Objectives
DB – Annual Budget
DBJ – Budget Transfers
DC – Taxing and Borrowing
DD – Funding Proposals, Grants and Special Projects
DFA – Revenues from Investments
DFAC – Fund Balance
DFG – Tuition Income
DGA – Authorized Signatures
DI/DIE, -R – Fiscal Accounting/Audits
DID, -R – Inventories/Fixed Assets
DJ, -R – Purchasing
DJGA – Sales Calls and Demonstrations
DK – Payment Procedures
DKA – Payroll Procedures/Schedules
DKB – Salary Deductions
DKC – Expense Authorization/Reimbursement
DM – Cash in School Buildings
DN – School Properties Disposition

Mr. Rick Eitel, Chairman of the Board Policy Committee, reported that the committee met and reviewed the new board policies for section D, provided by the South Carolina School Boards Association. Mr. Eitel briefly reviewed the policies and explained the revisions and updated language.

Mr. Eitel made a motion to approve the new section D of the policy manual, as presented by the policy committee. The motion did not require a second, as it was presented by the policy committee chairman. The motion was passed (7-0) to approve the new section D of the policy manual as presented.

- b. **District Five Schools: General Fund and Debt Service Budgets:** Mr. David Hayes, Director of Finance, presented information discussed at previous finance committee meetings pertaining to the 2012-13 budget. A copy of the proposed 2012-13 budget was presented, as well as the information presented at the Public Hearing held on June 18, 2012. Provided in the budget report was an executive summary of budget changes, general fund budget summary, SC Department of Education projections, debt service fund, a list of capital outlay items totaling \$2,367,339 to come from the Local Building Fund balance, and salary schedules. Mr. Hayes reported an increase in salary schedules of two percent, as well as a step increase, where applicable. This is the first increase to the salary schedule since the 2008-09 school year. Mr. Hayes also reported that there would be an increase in employer costs of health insurance and retirement rates. New personnel requests were presented to the board by Dr. Turner. He informed the board that schools originally asked for \$2 million in personnel requests. These requests were examined and narrowed down to the \$610,000 in personnel requests being presented. Mr. Hayes also informed the board that the state has yet to pass the final budget. However, the district is proposing its budget based on their best estimates from the senate allocations. If major changes are required, those would be presented at a later date. Mr. Hayes reported a total increase in the general fund budget of \$2,952,055. The budget, as presented, reflects using \$916,125 from the fund balance, in lieu of imposing a tax increase. The 2012-13 proposed budget requires no millage increase in the general fund and debt service fund.

After questions and discussion, a motion was made by the Chairman of the Finance Committee to approve the 2012-13 budget as presented by the administration. The motion, not requiring a second, was approved unanimously (7-0).

- c. **Spartanburg County Alternative School Budget:** Mr. Hayes presented the 2012-13 budget summary for the Spartanburg County Alternative School. Mr. Hayes reported that Spartanburg District Seven is their fiscal agent and prepared the budget. The budget, as presented, does not require a tax increase.

A motion was made by the Chairman of the Finance Committee to approve the 2012-13 Spartanburg County Alternative School budget as presented. The motion was approved unanimously (7-0).

- d. **McCarthy-Teszler School Budget:** Mr. Hayes presented the 2012-13 general fund budget for the McCarthy-Teszler School, which serves special needs students county-wide. Mr. Hayes reported that Spartanburg District Seven is their fiscal agent and prepared the budget. The budget, as presented, does not require a tax increase.

A motion was made by the Chairman of the Finance Committee to approve the 2012-13 McCarthy-Teszler School budget as presented. The motion was approved unanimously (7-0).

- e. **R. D. Anderson Applied Technology Center Budget:** Mr. Hayes presented the 2012-13 General Fund budget for R. D. Anderson Applied Technology Center, which serves students in Districts 4, 5 and 6. Mr. Hayes reported that the proposed budget is balanced and does not reflect a tax increase.

A motion was made by the Chairman of the Finance Committee to approve the budget for R. D. Anderson Applied Technology Center, as presented by the administration. The motion was approved unanimously (7-0).

- f. **Resolution Authorizing General Obligation Bonds:** Mr. Hayes presented a copy of a resolution authorizing the issuance and sale of General Obligation Bonds not exceeding \$3,670,000. The bond proceeds will be used to make interest payments on the Installment Purchase Plan debt issued in 2005. This will allow the district to maintain the current millage rate with no increase and is necessary because of the general fund millage cap imposed by Act 388.

A motion was made by the Chairman of the Finance Committee to approve the resolution authorizing General Obligation Bonds, as presented by the administration. The motion was approved unanimously (7-0).

5. Executive Session

- a. **Personnel:** A motion was made, seconded and passed unanimously (7-0) to go into executive session for the purpose of personnel recommendations.

In open session, a motion was made, seconded and passed unanimously (7-0) to approve the personnel recommendations, as presented by the administration.

Additionally, a motion was made, seconded and passed unanimously (7-0) to approve an extension to the Superintendent's contract for a period of one year, through June 30, 2015. The two percent salary increase, included in the budget proposal, will also apply to the superintendent.

There being no further business, the meeting was adjourned at 8:20 PM.

Respectfully submitted,

Michael Thompson
Secretary