

The District Five Board of Trustees met Monday, November 23, 2015, at Duncan Elementary School, 100 S. Danzler Road, Duncan, SC at 6:30 p.m.

The following members were present:

Mr. Rick Eitel
Mr. Garry Harper
Mr. Patrick Jarrett
Mrs. Julie McMakin
Mr. Michael Thompson

1. **Call to Order and Notice to Media:** Mr. Garry Harper, 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 – October 26, 2015:** Minutes from the October 26, 2015 meeting were approved as presented.
4. **Special Recognition:** Dr. Scott Turner presented a plaque to board members whose terms will be expiring at the end of November: Mr. Patrick Jarrett and Mr. James Norman (not present). Mr. Jarrett and Mr. Norman have served on the board of District Five since 2011.

Mrs. Melissa Robinette introduced Ms. Rebecca Parrish, with Partners for Active Living. Ms. Parrish, along with Peggy Luther and Brandon Lewis from Chartwells, and Nicole Brown, with Upstate Safe Routes to School, presented River Ridge Elementary School with the Golden Shoe Award and a \$500 check. Dr. Glenda Bigby and Ms. Casey McCall accepted the award on behalf of the school.

Mrs. Robinette also recognized Peter Novikov from River Ridge Elementary School. Peter was the holiday art winner for District Five.

Mrs. Robinette recognized many students for their academic achievements on PASS, ACT Aspire, and ACT assessments. See complete list of names attached.

Mr. Tony Gillespie, Athletic Director, recognized numerous students for their athletic achievements in football, volleyball, cheerleading, cross country, and tennis. See complete list of names attached.

5. Reports

- a) **Interior Finishes and Design of Byrnes High School Expansion:** Mrs. Dawn Leimbach and Mr. Ron Smith, with McMillan, Pazdan, Smith Architects, presented the interior colors and finishes for Phase I of the Byrnes High School construction project. They met with school and district administrators in October to discuss the plans and options before presenting to the full board. Flooring, walls, and ceiling colors and materials were presented for the Rebel Round Up area, central lobby, athletic area, and original gym.

- b) **District 2014-15 Financial Audit:** Mr. Hayes, Director of Finance, provided the district's annual financial audit report as presented to the finance committee. He presented documentation to show that the audit firm, McAbee, Schwartz, Halliday and Co., reported that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Spartanburg District Five Schools as of June 30, 2015. Included in the audit report was the Management's Discussion and Analysis which outlined the following financial highlights: general fund state revenue received was \$675,984 more than budgeted; general fund local revenue exceeded budget by \$2,507,607 due to an increase in fee-in-lieu taxes and increased collections; the district purposely reduced the general fund balance by \$1.2 million to help fund the building expansions at Byrnes High School and Lyman Elementary School and bring the balance closer to the goal of 15%-20% of operating expenditures; the district was able to transfer \$8,980,970 from the General Fund to the Capital Projects Fund; unassigned fund balance for the general fund was \$15,505,470 which is 21.4% of the total budgeted General Fund expenditures; the district's net position increased by \$7,939,650; the district entered into contract commitments for expansions of Byrnes High School and Lyman Elementary School, totaling \$29,916,110; and the district issued \$18.2 million of general obligation bonds on July 15, 2015 to help fund these projects.

Mr. Hayes briefed the board on the summary of Special Revenue Funds for special projects. He also reported that the Governmental Accounting Standards Board has required, for the first time in fiscal year 2014-2015, that all governmental entities report a pro-rata share of the state's net pension liability in the Statement of Net Position. District Five's pro-rata share of the net pension liability is approximately \$74.5 million.

- c) **South Carolina SDE In\$ite Data:** Dr. Turner informed the board that for the last few years, District Five Schools has been ranked number one in the state for having the highest percentage of their operating expenditures going toward instruction and instructional services. This information is provided in the 2012-2013 In\$ite Data,

which is the latest data provided by the State Department. The district's percentage was reported at 76.02, as compared to the state percentage of 69.91.

According to the In\$ite Data, Current Expenditures per pupil for District Five were reported at \$9,391, as compared to the state average of \$9,448.

Debt Service Expenditures per pupil were reported at \$1,234, as compared to the state average of \$1,494.

Additionally, Mr. Hayes provided In\$ite Data Expenditures per pupil by category, comparing Spartanburg County as a whole to seven other districts in the state.

- d) **Quarterly Financial Report:** Mr. Hayes also provided the district's quarterly financial report as of September 30, 2015. As presented, the Year to Date actual currently reflects a \$6.5 million deficit. Mr. Hayes reported that this deficit is to be expected as the majority of local tax revenue will be received in January and February. Mr. Hayes also reported that the district is on target to meet its budget on both revenue and expenditures.

There being no issues to discuss in Executive Session, the meeting was adjourned at 8:30 p.m.

Respectfully submitted,

Michael Thompson
Secretary