

MINUTES
ANDERSON COUNTY BOARD OF EDUCATION
402 Bleckley Street, Anderson, South Carolina 29625
June 16, 2008

Board Members Present: John Sherard, Brenda Bradberry, David Draisen, Rev. Dr. Rufus Mitchell, Mike Brock, Mike Gray, Jeff Kubu, and Joey Nimmer, Ex Officio

Board Members Absent: Steve Garrison, Randy Price

Call to Order: Mr. Draisen called the meeting to order. Rev. Dr. Mitchell presented the invocation. Everyone joined in the pledge of allegiance to the flag.

Approval of Agenda: Ms. Bradberry requested the addition of Item C.: Discussion of Act 388, under New Business. Mr. Kubu made the motion to approve the agenda as amended. Rev. Dr. Mitchell seconded the motion, and the Board agreed unanimously.

Approval of Minutes: Rev. Dr. Mitchell made the motion to approve the May 19, 2008 minutes with a second by Mr. Kubu. The Board agreed unanimously with the exception of Ms. Bradberry who abstained due to her absence at the May Board meeting. Mr. Brock was appointed by Mr. Draisen to sign the May minutes.

Recognition of Media and Patrons/Public Comment Period: Visitors present: Mike Burns, David Havird, Steve Uldrick, Larry Young and Craig Stanley

Anderson County Alternative School Report: Mr. Brock had no report at this time. Mr. Kubu asked about the availability of appropriate classes for honors students who are sent to the Alternative School. Mr. Havird explained it is impossible to offer all courses available at the schools for the students at the Alternative School, and there is no advance placement at the Alternative School. In order to offer advance placement more teachers would have to be added. The students can get the required credits, not advance placement credits. Mr. Kubu stated a student has to be expelled before being sent to the Alternative School. He believed a student could be appointed or recommended to the Alternative School to avoid being expelled. Mr. Havird suggested a better option for academically talented students would be the Gateway program through Tri-County Tech which gives dual credit for courses taken for high school and college concurrently. A student does not have to be expelled but can be a drop-out to participate in this program. Mr. Havird made the Board aware that if additional provisions were made for academically advanced students, additional provisions would also have to be made for special education students. Mr. Brock stated he was on the Board when the Alternative School was started, and Mr. Nimmer asked if the enabling legislation required a student be expelled to be eligible for enrollment or was this a policy later established by the Board. Mr. Havird explained it was a policy established by the Board.

District One Bond Issue: Mr. Burns of McNair Law Firm presented two requested resolutions:

1. Approve the issuance of general obligation bonds relating to the school district's referendum passed on March 18, 2008, which authorized not exceeding \$85,750,000 in general obligation bonds. The first resolution is authorizing not exceeding \$10,000,000 of general obligation bond anticipation notice, part of the \$85,000,000 referendum approved debt for constructing, equipping, expanding, renovating and preparing school facilities.

2. Approve not exceeding \$3,500,000 general obligation debt of the school district to be issued through the South Carolina Association Governmental Organization.

Mr. Havird explained all the money was not needed at this time with the district being in the design phase. With interest rates not presently favorable, it makes sense to use only what is needed and receive interest on the remainder, based on the advice of McNair Law Firm. Ms. Bradberry asked if the 3 1/2% money was 8% money and for what year. The year was 2007-08. Ms. Bradberry asked what the \$3,500,000 would be used for. Mr. Uldrick stated it would fund the cash flow requirements for the design phase of the eight or nine projects being conducted by the schools in District One. The estimated date for issuing the rest of the bond money would be next June. After a lengthy discussion, Mr. Havird explained the process of issuing the bond money was orchestrated to be most beneficial for the taxpayers.

Ms. Bradberry made the motion to issue the two proposed resolutions. Mr. Kubu seconded the motion and the Board agreed unanimously.

District Four Bond Issue – McNair Law Firm: Mr. Burns presented the resolution to approve issuance by the school district not exceeding \$825,000 general obligation bonds of 8% money to defray the cost of renovating the District Four stadium. This will also be issued under SCAGO general obligation bond program with the possibility of saving on the issuance cost. The bonds will mature March 1, 2013 and anticipated the bonds will be bank qualified. Mr. Young described the design flaws discovered in the stadium during general repairs and maintenance. After taking bids, a company was hired to build a new stadium with 3500 seats and press box. Other aspects addressed will be replacement of asphalt, electrical wiring, and drain lines. Ms. Bradberry asked how much would have to be taken out of district operations to fund the project. Mr. Young expects funds left from the \$29,000,000 project which is reaching completion to be applied to the stadium project. Mr. Young stated the stadium erection crew is a company from Seneca, Sharon Sports. A company from Texas, Southern Bleachers, gave the best bid on reconstruction of the bleachers.

Mr. Brock made the motion to approve; Rev. Dr. Mitchell seconded the motion. All agreed to approve with the exception of Mr. Kubu, who opposed.

Presentation of County Board Budget--Budget Committee: Ms. Bradberry presented the budget from the budget committee to the Board for adoption. She explained there is zero growth represented in the budget and revenue or income for fiscal year 2008-09. The other state funding is frozen and reassessment at county level is incomplete. There will be no local millage increase for this budget. There is also zero growth in expenditures. It will allow for a shift in the mental health contractor to a staff position. It gives a 4% cost of living increase to all employees. Increase in travel goes from \$.42 per mile to \$.48.5 per mile. Maintain the \$15,000 from the implementation of the recommendations from the Strom Thurmond Institute. There are no extras available for next year. If any is left over it goes to fund balance. Mr. Nimmer stated any growth that is recognized as the result of the reassessment was in the fund balance item or should be adjusted at a later date. All of the Strom Thurmond study was funded from last year's budget. We will be contributing to the fund balance this year. Since Ms. Bradberry made the motion from the Budget Committee, no second was needed. All Board members voted to approve the 2008-09 budget.

Administrator's Report: Mr. Nimmer reported:

1. Mr. Nimmer thanked the Board members for excellent Board participation at the districts' budget meetings this year. He presented all Board members with a uniform

budget analysis workbook he created with some of these issues covered: (a) general information pertaining to all districts from the state, (b) PCS codes, (d) analysis-information presented to the Board from the districts, (e) history of tax levies for school operations, (f) breakdown of number of students by districts and the make-up of each, (g) the student population change over the 135 day ADM trend for the last several years, (h) breakdowns from each budget item discussed, (i) template filled out by districts along with their revenue and expenditure budget, salary schedules, debt service requirements and the last 3 years insite data as well as each district's report card from the State Department of Education.

2. Mr. Draisen requested a budget workshop to discuss all five district budgets on July 14, 2008 at 6pm. If no problems, budgets will be voted on at the next regularly scheduled Board meeting on July 21, 2008 at 6pm.
3. Wren girl's softball team was presented a congratulatory plaque on winning the AAAA State championship.
4. Mr. Nimmer presented ad rates from the Anderson Independent-Mail for future ads recognizing achievement and performance in the County.
5. The Legislative Delegation will be presented the County Board and Alternative School budgets at their next meeting on Tuesday, June 24, 2008, in the Anderson City Hall.

Mr. Draisen and all the Board members thanked Mr. Nimmer for all his work in preparing the workbook.

Financial:

- A. **Tax Collections YTD vs. Budget:** All districts are on track to meet their budgets as anticipated. There is still not in that the final catch up payment for the tier 3 reimbursement, and there is not an audited number yet for those figures for the base year amount. The Department of Revenue has issued numbers to each district which was used in the budget process that probably will not change.
- B. **Assessment Totals:** The value of a mil is holding at about \$555,000.

Old Business:

County Board Projects Update: Mr. Gray reported the Strom Thurmond Institute would have a report in the fall addressing the advantages or disadvantages of having a county wide millage, services being shared, and equal distribution of money for districts taking into consideration growth potential in the districts.

New Business:

- A. **ADM Accounts Payable**
- B. **SFS Accounts Payable**

Ms. Bradberry made the motion to approve the payment of the bills for the County Board and School Food Service. Rev. Dr. Mitchell seconded the motion and the Board agreed unanimously.

- C. **Discussion of Act 388:** Ms. Bradberry stated she understood the % asked for included growth plus inflation. Mr. Nimmer added, "As deemed by the State." Ms. Bradberry also understood millage increase did not come from local taxpayers but from taxes on cars and business. Mr. Nimmer said for individuals it will be any non 4% property they own which can be commercial, rental property, or it can be second homes in the county, all of which are a part of local effort and local taxation as identified in Act 388. The only classification of property that is under consideration in Act 388 for

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reimbursement is the 4% owner occupied property. Act 388 does not supersede, replace or declare the law null that 8 or 10 mils could be requested. Both laws are still on the books. There was an opinion rendered by the Attorney General that stated the millage increase to be granted at the local level could be increased up to the growth combination of CPI and population, whatever the rate is deemed by the state or 8 mils or 10 mils, whichever is less. Mr. Nimmer stressed this has not been tested in court. In York County, the local legislator, Representative Hayes, passed local legislation this year that allows school districts in York County to increase their millage above the Act 388 mandated limit.

The meeting was adjourned.

Respectfully submitted,

Brenda Bradberry, Acting Secretary of the Anderson County Board of Education
This is a true and correct copy of notes taken at the meeting.