

HORRY COUNTY BOARD OF EDUCATION
MINUTES – Board Work Session and Budget Retreat
District Office
February 9, 2015

The following persons were present:

Board of Education

Joe DeFeo, Chairman	Holly Heniford	Pam Timms
David Cox	Neil James	Sherrie Todd
Jeffrey Garland	Janice Morreale	Ray Winters
Janet Graham	John Poston	

Horry County Schools' Staff

Velna Allen	Ashley Gasperson	Boone Myrick
Cindy Ambrose	Reggie Gasque	Cecelia Nance
Mary Anderson	Kenny Generette	Beverly Pilkey
Bobbi Antonucci	Debra Gerrald	Mark Porter
Heather Barnes	Sie Gilbert	Ben Prince
Emily Borrello	Bo Gorcesky	Buffy Roberts
Dottie Brown	Melissa Graham	Angela Rush
Daryl Brown	Michelle Graham	Carol Sambroak
Jessica Bulzomi	Mary Grainger	Donna Satterley
Jill Carroll	Kroty Hamilton	Barbara Schlidt
Richie Causey	Ben Hardee	Jacqueline Stanley
Carolyn Chestnut	Leann Hill	David Stoudenmire
Meagen Cox	Jessica Hucks	Angie Sumter
Edi Cox	Charles Hucks	Addie Swinney
Samantha Coy	Angela Huggins	Diane Thompson
David Cupolo	Jill Jeter	Christine Tucker
Jillian Dalessandn	Robin Jones	Vicki Underwood
Dennis Devorick	Sean Junkins	Frann Waldorf
Gaye Driggers	Candace Lane	Melissa Westbury
Cristy Dudley	Cara LaPier	Kristin Wilson
Michelle Dunsford	Allyson Larrimore	Mark Wolfe
Laura Farmer	Janet Lawrence-Patten	Jim Wright
Kandi Fleming-Jones	HT Lee	April Zeltwanger
John Gardner	Paula Mullis	Tim Zeltwanger

**Opening February 9, 2015 at 6:00 p.m. – Call to Order
Invocation and Pledge of Allegiance**

Chairman DeFeo called the meeting to order. Mr. James gave the invocation and led the Pledge of Allegiance.

Approval of Agenda

A change was made to the agenda to add Board Report under Superintendent's Report. This will be a report from Janice Morreale and Jeffrey Garland regarding their trip to the NSBA Advocacy Institute in Washington, D.C. A motion was made by David Cox to approve the agenda as modified. The motion was seconded by Mr. James. The motion carried unanimously.

Approval of January 26, 2015 Minutes

A motion was made by Mr. James and seconded by Ms. Heniford to approve the January 26, 2015 Minutes as presented. The motion carried unanimously.

Discussion

General Fund Budget Development

Finance – John Gardner

John Gardner shared that at the December Board meeting, the Board approved the allocation formula. We will be sharing our preliminary estimates on revenues, changes in expenditures, and our initial estimate of the 2014-15 fund balance. The various budget managers will report on their specific areas of operations. Some items may be new initiatives and some may be considered an expansion of our current initiatives. Many of the items that we address tonight may be updated and they may change. Following the sharing of this information, you will have a snapshot of where we are today in the process. Our intent today and as we go forward to June is to keep you informed so that when the comprehensive budget is presented in May, it will be familiar to the Board. An update on revenues was shared. We received updated tax revenue information late on Friday, which is why the updated budget documents were provided after the original documents were posted for the Board. The only change in the documents shared originally and those posted later are in the revenues. We will be talking about the 2015-16 general fund. The estimates presented are based on receipts to date, the current state allocations, and also anticipating the additional funding the District may receive for 1,221 new students. When you look at revenue, it is hard to project property taxes because it is based on assessed values, which change on a daily basis. We try to look at trends, which historically have been pretty accurate. State revenues are in large part dictated by what happens in Columbia. Mr. Gardner reviewed the budget documents. The projected numbers will change because we are so early in the budget process. There has been discussion about the base student cost for next year. Our projections are based on the current student cost of \$2,120. Mr. Gardner shared that one point to make Board members cognizant of is that the Governor is planning to do the same thing she did last year, which is to take funds from the lottery fund that we normally receive for K-5 and 6-8 and they are going to do away with those. Basically, those funds are taken from one pot and put in another. We will probably lose some of the special revenue funds.

Mr. James stated that he saw a significant reduction in the retiree insurance. It looks like we are roughly \$474,000 less than what we adopted in the general budget for the projected as well as the preliminary 2015-16 budget. He asked for the reasoning behind that? Mr. Gardner shared that when we project the retiree insurance and health insurance, we do not get a true figure on those until October after the budget has passed, so we made a projection on what we anticipated to receive. We under budgeted for the retiree insurance, but we over budgeted for the health insurance. When you net those two out, we were approximately \$400,000 better off than we budgeted. The numbers that we are using for the preliminary budgets are what we anticipate that we are actually getting this year. We will have to update these figures as we progress along.

Mr. Gardner shared that the next items are federal revenue, and is basically the money we receive for the ROTC programs we have, and the others are transfers from the other funds for teacher salaries, supplements, and also for indirect costs we get from federal programs. We are looking at 9.5 million dollars in new revenue for next year on our preliminary estimates. Mr. Gardner also brought attention to the bottom line of the budget document, under the audited general fund in 2010-11, we actually received \$94.3 million in revenues and we spent \$284 million, so the fund balance increased by \$10.3 million. Moving forward to last year's financial audit, as reported by Steve Luoma, the fund balance grew by approximately \$8.9 million. The budget that the Board adopted for the current year, we anticipated our revenues to be approximately \$349.5 million and our expenditures would be \$355.7. The Board approved us utilizing the fund balance in the approximate amount of \$6.2 million in the current year to balance the budget. Based upon our projected revenues and expenditures for the coming year, we project having a surplus of \$5.2 million dollars this year. We have several vacancies that contribute to this savings.

Mr. DeFeo asked for the current fund balance at this time. Mr. Gardner shared that the fund balance is currently over \$84 million. Mr. DeFeo stated that it should end up being \$89 million. Mr. Gardner confirmed that as correct. Mr. DeFeo asked if we were planning to assign one person to each school for the PDL. Mr. Gardner confirmed this as correct, and that the starting salary for this position will be a support staff position in the mid 30's range. Mr. Boyd will share more information on this during his presentation.

Utilization of fund balance was explained and at this time, the unreserved and undesignated fund balance that can be used is \$26.2 million dollars. Looking forward to June 30, 2015, we expect that we will have a minimum of \$5.8 million dollars that will be retained in employee compensation and benefits. Mr. Gardner shared that we would like to propose to utilize that \$5.8 million dollars as a funding source in the 2015-16 funding plan.

The next big item is staffing adjustments. When you grow by 1,221 students, you will have to provide instructional staff. Mr. DeFeo noted that this is shown as a nonrecurring fund and asked should it be shown as a recurring cost for next year. Mr. Gardner shared that if no changes are made, then the costs would be recurring. Mr. James stated that the costs would be recurring unless they are one time expenditures, which would be nonrecurring. We are anticipating 1,221 new students. Mr. Gardner also noted that we anticipated only 884 new students for 2014-15. Our actual growth was 1,213 students, so we grew more than anticipated. That growth, along with our projected growth for next year, we estimate about \$5 million dollars for the additional staff that is needed for next year. That figure

includes salaries and employee benefits. Retirement increase impacts all employees who participate in the South Carolina Retirement System. The District has received information that the employer contribution rate will increase to 16.06%. The rate will increase for employees from 8% to 8.16% for next year. The projected cost on that is approximately \$.6 million next year for the general fund. Mr. James asked for clarification as to why we are asking here for an increase of \$600,000 for retiree insurance when earlier we were showing a variance, an under run of \$474,000. Mr. Gardner explained how the funding works to reimburse the District. The State determines the amount that should be refunded to the District. The State then does not have the funds to fully reimburse the District, so the State determines how to allocate the funds to the districts. We do not get our full allocation from the State. Transportation is another example that is not fully funded to the school districts. We also do not receive dollar for dollar on fringe benefits for health insurance. Mr. DeFeo stated that he does not see any of these as nonrecurring costs.

Health insurance is also increasing. We are not sure at this time how it will impact employees. They may decrease the coverage or charge the employees more. The estimated cost on this is \$.9 million from the general fund.

We have not received any information from the State as of yet regarding any mandated step increases. As part of our budget parameters, we need to plan on a step increase. This is preliminary and we will discuss this more as we go through the process. This is considered a longevity increase. Our salary scale has 28 steps. It is mandated by the State up to 22 steps. Approximately 74% of all of our employees are eligible for longevity or a step increase. The cost of this is \$3.7 million, which is close to what we were last year.

The next one is a 2% salary increase for employees not eligible for a step and these are those individuals who have reached the top of the pay schedule. There is approximately 26% of our employees who are not eligible for a step increase. Support staff make up 33% of those not eligible for a step increase and teachers make up 49%. Therefore, 82% of that population not eligible for a step increase are teachers and support staff. This group has not received any compensation adjustment for the past two years, neither in 2013-14, nor 2014-15. The cost for this is approximately \$1.8 million dollars to the general fund. Mr. DeFeo asked if this is referring to those who come in with a level of experience and how that relates. Mr. Gardner shared as an example, when we bring in a new hire, such as an HVAC technician in Maintenance, and they have been in the trade for 10 years. We would not start them off on Step 0 because we would take into consideration the experience they had before coming to HCS. Mr. DeFeo stated that he feels it is almost a detriment to come to work here early on. You are almost better to wait and then we will throw experience at you and those that are here have to go step by step, year after year. Mr. Gardner shared that we need to be cognizant of the fact that inflation is a factor for these employees, who are also paying more for their employee benefits and their cost of living has increased as well.

We will need to build in our 2015-16 budget about \$300,000, plus provide for a 5% contingency for growth for charter school adjustments. That will be about \$.6 million for the general fund.

Principals have asked for additional days for their staff to be used at their discretion for guidance, enrollment, and attendance, due to the many diverse needs at the schools. Depending on the grade

levels of the schools and the transiency of the population served, it has put an undue burden on some of the schools. We estimate the cost to be approximately \$250,000 dollars.

The next item shared was for athletic supplements and additional days to compensate employees for extra-curricular activities and duties at a cost of approximately \$155,000 dollars.

The last budget item shared by Mr. Gardner was for contracts and other fixed cost items such as property insurance, copier leases, and service contracts that will have estimated increases of \$250,000 dollars.

Instruction – Cindy Ambrose

Cindy Ambrose shared that Learning Services' budget packages can be grouped into two categories. The first category is new packages, wherein we are asking for new funding or increased funding. The second category is an overview of federal revenue streams we receive. The first item is dual enrollment courses. Mr. James asked for the total cost of dual credit courses. Mrs. Ambrose stated she believes this is around \$400,000.

This is year two of the New Tech Initiative at Myrtle Beach High School at a cost of \$133,600 to continue with year two of this contract. This also covers professional development opportunities that the teachers will need to send teams of teachers to during the summer for training. Mr. DeFeo asked how long this is for and Mrs. Ambrose confirmed that next year will be year two of a four year contract. Mr. James asked how this initiative is different than the PDL purpose that was defined. Mrs. Ambrose responded that PDL is an individualization. We really look at trying to individualize in the classroom. The PBL which is what it is often called with New Tech, is project based. They go out into the community and look at community issues. They bring community leaders in. It is project based learning for the students. They have a problem they have to solve. The standards are woven in there, so it really is about the projects. They are much more entailed. Being a member of this network gives you lots of resources. Mr. James noted that it says it would require critical thinking, creativity, and communication, which is some of the same wording that we have heard with PDL. Mr. James would like to understand what is really different. Mrs. Ambrose shared that it really does ratchet up that project based. It is a very different approach. We are not anywhere close to doing these kinds of projects in our schools right now where you bring in community leaders and look at real world problems. We do a lot of projects, and that is our ultimate goal with PDL is one of those third rotations in the classrooms, but this is very different. It is at the high school level. It is a school within a school. We would be glad to bring it in and let you see some of the activities the students are doing and hear from the students and the teachers if the Board would like.

Mr. DeFeo said that he does not see why we are discussing this because it is a contract. He stated that he is not suggesting this, but asked if we could get out of the contract. Mrs. Ambrose stated that she would have to look at the fine print and have an attorney interpret that. She added that the schools sees this as a value and the community values it greatly. Mr. Cox asked who in the community knows about it, sharing that he didn't know about it. Mrs. Ambrose replied that she knows they have brought in some City leaders, some community leaders, and she sat in on a project on lab safety. She also added that outside individuals come into the school and work with the students. Mr. Cox asked if other schools come into the school to view this program. Mrs. Ambrose is sure they have had visitors, but does not have the specifics. She will be glad to get that information if needed. Mr. Cox does not recall discussing

this. Mr. DeFeo added that the Board thought this was a one year program and after approving, a contract was signed. Mr. DeFeo stated the Board had just learned tonight that this is a four year contract.

That shifts us into federal programs. No additional funds are being requested. This is shared to keep the Board informed of what we are looking at on the long term horizon. We are hearing a lot about sequestration, and that every year these funds were going to diminish until they are no longer there. That would be problematic for the District because we use these federal funds.

Title I is set at 70% and above for poverty levels. Information was shared about the charters we serve, the private school, the neglected and delinquent sites, and the public schools. Two schools that are on the border and were included for this year, Kingston Elementary and Black Water Middle, may not be included next year. If they are not, they will have a transition year, and then they will come out. The federal and state government allows a one year transition before pulling the funds. Mr. Poston asked how much flexibility we have on that 70% level. Mrs. Ambrose responded that we do have some flexibility on where that is set. It was previously set at 75%. We have one finite pot of money, and as we move that scale up and down, it impacts the schools. Last year we slid that scale down from 75% to 70%. Every time we move that scale, it impacts the schools because that pot of money is finite. If we lower the poverty level, more schools would get money, it would just be less money.

Title II is professional development funds used for teacher quality, which is the primary source for professional development activities for certificated staff in the District.

IDEA is big on our radar. It stands for Individuals with Disabilities Education Act. It is a federal law and it governs how schools can provide services to special education students ages 3 – 21. This mandate is not fully funded, which means we have to provide the services. We think we will be okay on this for two more years due to stimulus funds given to us in 2009. Thereafter, unless things change, we may have to come to the Board to ask for funds for our special education programs.

Personalized Digital Learning Initiative (PDL) – Mrs. Ambrose asked that this be saved until after Mr. Boyd's presentation. It is for the third year and is for professional development and digital content. That is all rolled in to that funding source.

Accountability and Information (which includes PDL) – Edward Boyd

Mr. Boyd shared that he is the budget manager for the hardware side of PDL. We put it at this place on the budget discussion because it overlaps in many areas. The infrastructure and the capital side are in his budget and the professional development and digital content are in Cindy Ambrose's budget. There is also a general fund budget package for the positions you asked us to bring forward tonight. The conversation that we wanted to have now is about the processes that we have in place to show that we are ready to rollout phase III of PDL, both in the continuation of the middle and high schools, and expansion to the elementary schools. The Phase III PDL: Expansion to Elementary Grades document that you received is where we have captured activities in the form of a proposal. Mr. Boyd reviewed the proposal. A survey was developed and sent to elementary teachers in grades 3-5. 91% of the teachers in those grades responded. 59% stated a preference for the Apple iPad, 26% chose the Dell Venue, and 15% recommended some other device. The digital content that is identified as potential content for the elementary grades will work on either the iPad or the Venue. Mr. James asked if the bottom category,

Imagine Learning, is the same as *Imagine It!* Mr. Boyd replied that Imagine Learning is not the same as *Imagine It!* Imagine Learning is digital content, and *Imagine It!* is not. The timeline and resources for deployment were reviewed. Given the offers of assistance with deployment by way of manpower made by Apple and Dell, Mr. Boyd stated that we do feel completely confident that we can deploy. Mr. Boyd shared that they have tried to anticipate the questions Board members might have and to address their concerns. The U13 accounts was a major frustration for the schools and the DO Technology staff. Apple has told us that they are not ready to roll out a new product, but they have told us they do want to work with their large customers, of which we are. They will be here next year to help us with the U13 accounts for the middle schools, and at the elementary schools if we roll those out. On the wireless upgrades, we have put a hold on that because we may not need to upgrade wireless access points if we don't plan to put devices out. We are now 2 ½ weeks behind where we thought we would be, but we can accelerate that if this is approved. When we do the deployments next year, we plan to stagger the schedule so that the high schools are the first two weeks, the second two weeks will be for middle schools, and then we will work with elementary schools so there is no overlap like we had this year.

The repairs and insurance are tied up into one category that we cannot bring closure to yet. We are still discussing with Dell if we can work out a cost effective complete care with them for the devices at the high schools. Also, in the event we purchase the devices for the elementary schools, we are talking with Apple about a different structure that they have called Apple Care. We may end up only having to worry about repairs at the middle school level like we did this year, and that is using outside vendors. We really need to wait and see what we are going to do with Dell and Apple in terms of long term care because that will play into how we structure insurance and how much we can charge for a technology fee or charge for a breakage fee. We need about 30 days more to finish conversations with those two vendors before we can nail down what we want to do with repairs and with insurance for the coming year.

The last item here is something that middle and high school principals have asked for and that the Board asked that we prepare for you, which is for a building level technology support staff person. This person would assist with PDL in many ways, such as deployment and collection, monitoring devices, asset tracking, fee collection, and which devices need repairs. This person will serve as a technology liaison between the schools and the District Office. The comprehensive proposal is for a person at every elementary, middle, and high school, and that would be approximately \$1.7 million. The salary amount that we used was \$32,000 and that was the total cost of that position. It would be less than half of that amount if the Board only does middle and high schools.

Mr. Poston asked if we have a number allocated to staff training for elementary teachers with the roll out of these devices, if there is a training number, or how we will address that. Mrs. Ambrose responded that the figure for this is embedded in the third year cost, but that covers the cost for digital content and training. Mr. Poston asked if all elementary teachers will receive that training this summer. Mrs. Ambrose responded affirmatively. The training will start in the spring if needed, and will continue on into the summer. We pick it back up in August and then continue it next year. Mr. Poston asked if we have budget and time allocated for the training. Mrs. Ambrose shared that we have models where we work with the instructional coaches, and they in turn go back and work with their teachers. We have lots of deployment strategies.

Mr. James thanked those involved for providing this information that helped to answer questions and concerns shared at the last Board meeting. This came together and Mr. James appreciates the efforts of those involved. Mr. James shared that he still has some concerns about the high school device, as we were assured previously that this would be a great device, and yet there were problems. Mr. Garland stated that it appears we definitely have digital content available for the devices for 3 – 5th grades. Mr. Garland stated that there have been different options proposed for 3rd, 4th, and 5th grades, or some combination. He asked if we hand out more devices, if it will slow down or impact the process of getting devices repaired. Mr. Boyd responded that this goes back to the discussion we would have with Apple. They have discussed something with us that they are not ready to roll out, but they are restructuring their whole care in a way that could be attractive to us. Mr. Garland asked if it would be better than what we have. Mr. Boyd replied that if it were not better than what we have, then we would not do it. Mr. Garland asked as to the infrastructure, if we would have to have the same regardless of if we did one grade or three grades, maybe with more bandwidth because of more devices. Charles Hucks responded that there are two components to the upgrades at the schools. One is additional bandwidth that you are speaking of, and that changes based on the number of devices. The other is the ability to accommodate every classroom with thirty devices on the network in that room all day, every day. Should we decide to do a given grade, then those additional access points for that additional capacity would only have to be added for those grades. One problem we run into when we do that is the following year there is a shuffle of the grades in the building and we find out we now need to go into other areas. Mr. Hucks stated that if we move forward, District staff strongly encourages you to allow us to upgrade the entire building so that we are covered for the next 3 – 5 years.

Ms. Morreale stated that she gets a lot of complaints from elementary schools where we have iPads now that they are commonly getting bumped off the internet. Mr. Hucks responded that it depends on the number of devices they have in the rooms. The wireless design in elementary schools now was designed to have coverage throughout the building four plus years ago. It was not designed to give support to any given room to have more than ten devices. The coverage is there, but the capacity is not there, and that is what we need to go back and do now is provide the additional access points to provide the capacity. Ms. Morreale shared that she thinks we should add the access points regardless of what the Board decides as relates to rolling out devices to the elementary schools. Ms. Morreale stated that it appears if the Board approves devices for any elementary level that the administration is not recommending for them to go home with the students. Mr. Boyd confirmed that we do not propose elementary students taking the devices home next year. Ms. Morreale asked if they would be paying insurance. Mr. Boyd added that this is part of the conversation that we need to have. We are not prepared to answer that question tonight. Ms. Morreale added that she would like for middle schools not to take their devices home and not charge for insurance. Ms. Morreale asked if Apple and Dell are committed to helping us roll out every year that we have their devices. Mr. Boyd replied that he did not have the commitment letter in front of him, but he believes we only talked about next year. He thinks they would be willing to help us at any time, but it may or may not be a complimentary roll out past this next year.

Mr. DeFeo shared that he is aware of situations where a device could not be charged through no fault of the student, and there were not enough loaners to go around. This was for a longer period of time than a couple of days. Mr. DeFeo asked if this has happened at the middle schools. Mr. DeFeo feels this is a major problem when, through no fault of the student, they cannot use their device and we do not have enough extras to loan them a device while theirs is being repaired. Mr. Boyd responded that there were

more Dell Venues that were down than we could possibly commit to providing loaners. Mr. Boyd is aware of occasions where the insurance covered to repair a device and if it were broken again, the insurance would not cover the repair. A loaner was not provided because the parents had not signed that they would be responsible for the device if broken again. We were trying to protect our investment and this created some problems. Mr. DeFeo said that he has had complaints about the middle schools, stating that his son has been without his device for three weeks now, and it was not broken. It just malfunctioned. Mr. Boyd responded that we have had very few malfunctioning iPads. Mr. DeFeo asked if someone broke their iPad, if they might be without it for weeks. Mr. Boyd shared that the average turnaround time on the iPads is ten days once it comes in to the District Office. Mr. DeFeo asked if an iPad malfunctioned, would the student be given a device to use in the meantime. Mr. Hucks responded that we have only had a couple of cases of malfunctioning devices. Once the device is inspected and if it just stopped working, it would be a warranty item with Apple, and the device would be exchanged. They may not have gotten one immediately, but they should have received one soon if the device just stopped working. Ms. Morreale asked if we had looked at the time to replace the glass with our vendors and have we tracked devices to see the turnaround time. Mr. Hucks shared that we tracked and we know that our average is under ten days district-wide. Mr. Hucks further stated that as shared by Mr. Boyd, if there is paperwork that has not been completed, that can extend the time for them to get access to a device. The turnaround time on the repair of glass, countywide, average middle schools is ten days. Mr. DeFeo asked how a student does their homework if they do not have a device for ten days. Mrs. Ambrose shared that teachers would make adjustments for students who do not have access to a device. Ms. Morreale thanked those involved for providing the thorough package of information.

Mr. DeFeo asked about the welding program that the District looked into previously. Ben Hardee responded that currently there are ten students from throughout the District enrolled. They are in the second semester of the program. Operation of the total program at a maximum, which is fifteen students, is a little above \$25,000.

Support Services – Daryl Brown

A continuation of the bus replacement cycle that the Board approved last year is being requested. We are looking to purchase ten additional buses this year, eight of which will be district route buses and two of which will be District activity buses.

Instructional Support – Carolyn Chestnut

This request is to ask the Board to approve employing ESOL teachers to reduce the teacher/student ratio. A chart of information was reviewed. In the spring, the State Department conducted an audit and based on our teacher/student ratio at that time, they asked us to develop a plan of action for reducing our teacher/student ratio. We came up with a plan to employ three additional teachers yearly and the State informed us that would barely take care of the growth in the County. Therefore, we are asking (and this will in no way get us to the State ratio of 1:60) for eleven teachers. With this, our ratio will still be 1:93, and that is if our limited English speakers remain at 4,212. The second part of this request is the State allowed us to use Title III funding to employ curriculum coaches to help us with the ESOL program. Because they were employed using Title III funding with strict guidelines from the Federal government, their work is limited as to what they can do. Therefore, it is being asked that .5 of their salaries be picked up by the general fund so we can have the flexibility to use them to help us with implementing the program this year. Mr. Poston stated that he does not believe in District 8 that we are going to close the gap. Even with the hiring proposed, it is going to overrun us. Mr. Poston feels we may need to allocate

some additional staff to try to close that gap. Mr. Poston asked if it is correct that some of our ESOL teachers are not Spanish speaking. Mrs. Chestnut confirmed that as accurate. A large percentage of these teachers are not bilingual speaking. Mr. Poston feels that one of the challenges in the schools in District 8 is there is more and more of a bilingual population, especially with the parents. Translation during school registration and during the school year is a struggle for our staff and our schools. Mr. Poston stated that he is very concerned about this and he is hopeful the District will continue to look at ways we can serve that population. We cannot turn those families and students away. We are doing both a disservice to these families, but also to our other population of kids whose learning may be affected by us having to try to deal with those circumstances. Mr. Poston asked that we look at this again to make sure we have enough funds allocated to cover that gap.

Mr. Cox asked how many teachers we would need to be at the recommended State level of 1:60. Mrs. Chestnut shared that we would need 70.2 ESOL teachers to be at this level, based upon the current student enrollment of 4,212 students. Currently we have 33 teachers. Mr. Cox stated that he thinks we should explore trying to reach the teacher/student ratio of 1:60. Mr. Poston asked that District staff look back at this item.

Mr. Garland asked if the bottom line is that we are asking that \$14.5 million dollars be budgeted using the fund balance for next year. Mr. Garland affirmed that at this time that is correct.

Mr. Gardner shared that last year we asked you to utilize \$6.2 million dollars. This information is giving the worst case scenario. We just wanted to share information at this time and we will update the Board as we progress through the budget process.

Mr. James noted that in looking at bus replacement, there is no budget request because it was part of a 10-year replacement cycle previously approved by the Board. If we were to accelerate that schedule, what would the District like to have added to get five additional school buses or ten additional school buses? Mr. James would like for the District to propose that. Mr. Gardner responded that he came to the Board in June of last year and the Board approved purchasing ten buses out of the fund balance. Mr. Gardner thinks that would be a great opportunity to look at some of those one-time expenditures. Mr. Gardner will work with Mr. Brown to make a proposal, but he would like to see it as a utilization of fund balance to make those purchases and not build it into the budget.

Mr. James noted that it is not all gloomy, because originally for the 2014-15 budget, \$6.2 million was requested, but somehow we found \$6.1 million. We had \$6.1 million added to the undesignated reserves, so we never used any of the allocated funds that we planned and the undesignated reserves has gone up. Mr. James stated that we do not need that much money not being used to better the schools. He would like for us to look at how to best use that additional revenue.

Refunding Bonds

Mr. Gardner reviewed information on the Refunding of Bonds. This could cause a potential net savings of more than \$2.8 million or a 7.997% net present value savings. Any savings from refunding of bonds puts money back into the building program. We are presenting that to the Board as a Resolution and we would like for the Board to consider approving this request at the next meeting to allow us to go forward with that transaction.

Mr. DeFeo asked that for the next meeting we add an item to the agenda under Business for elementary PDL, possible discussion and possible motions and vote.

Mr. James asked that in light of what Mr. Gardner shared about refinancing the bonds and the potential savings to the District, we need that item added to the next Board agenda under Business.

Mr. DeFeo also asked that Board Governance be on the upcoming Board agenda.

Monitoring Report: Operational Expectations 4 – Personnel Administration – Addie Swinney

The Operational Expectations 4 – Personnel Administration was presented by Dr. Swinney. Mr. James noted the item in the evidence column that states, “Selected retired professionals facilitate face-to-face professional teacher screenings prior to candidate being sent to building administrator”. Mr. James asked how many retired professionals we utilize. Dr. Swinney responded that we used five last year that was on a floating rotation basis. This ensures more competency of our applicants that come in. Normally we have paraprofessionals that will go through and screen the candidates when they come through, but to be able to provide more solid and viable candidates to our principals, we utilize these retirees to come in, so we invited five, and it was probably three on a regular basis. Mr. James asked how many hours these professionals work. Dr. Swinney responded that it was probably less than 20 hours per week.

Superintendent’s Report

2015-16 Academic Calendar

The 2015-16 student academic calendar was provided as information. This calendar is very similar to the current year calendar. Mr. Brown has shared the calendar with all of the Superintendent Advisory Cabinets, and the calendar has been well received.

Board Report

Mr. Garland reported that he and Ms. Morreale were in Washington last week and got to meet with Representative Joe Wilson and representatives from Mark Sanford’s office as well as Tom Rice’s office. The National School Boards Association has identified four items of interest to try to get moved on this year. One of those is dealing with the Child Nutrition Act. There recently was a reprieve for some of the sodium content. The other three issues all deal with funding and are sequestration, ESEA, and IDEA funding. They seem to believe there will be some movement on the ESEA and IDEA funding for next year and that no one this year wants to deal with sequestration again. They are expecting those issues to get addressed this year. It is not an election year and now you’ve got the Republicans in control of Congress, so they believe there will be a little more cooperation. Representative Wilson, along with Rice, have introduced another Bill in the U.S. House dealing with local control of school boards, which is intended to limit what USDA and the Secretary of Education can tie strings to some of their funding and try to stop some of that coming from Washington where if you take certain money, you have to play by their rules. They are trying to stop some of that.

Executive Session

A motion was made by Mr. Cox and seconded by Ms. Morreale to move into Executive Session. The motion carried unanimously and the Board moved into Executive Session.

The Board returned from executive session. A motion was made by Mr. Poston and seconded by Mr. James to return into open session. The motion carried and the Board reconvened in open session at 9:01 p.m.

Consideration of a Student Appeal

A motion was made by Mr. Cox that based upon their review and consideration of the written record regarding the student’s appeal regarding his assignment to the Alternative School, that the Board uphold the District Appeal Board’s decision to assign the student to the Alternative School until at least the end of the second semester of the 2014-15 school year. The motion was seconded by Mr. James. The motion carried unanimously.

Consideration of Written Determination

Mr. James made a motion to accept the Written Determination. The motion was seconded by Ms. Morreale. The motion carried with 10 in favor and Mr. Poston opposed.

Consent Agenda

A motion was made by Mr. James and seconded by Ms. Timms to approve the item, Personnel Recommendations as Required by Law, under Consent Agenda. The motion carried unanimously.

Adjournment

A motion was made by Mr. Poston and seconded by Ms. Heniford to adjourn the meeting. The motion carried unanimously and the meeting adjourned at 9:07 p.m.

Respectfully submitted,

**Rhonda Snowden
Executive Assistant to the Superintendent
and Horry County Board of Education**

Approved:
