

**CHEROKEE COUNTY SCHOOL DISTRICT
BOARD OF TRUSTEES
BOARD MEETING**

July 21, 2022

The Cherokee County School District Board of Trustees met in regular session on Thursday, July 21, 2022, at 5:30 PM in the District Office Boardroom. Board members present were Chair Mr. Matt Davis, Vice Chair Dr. Mark Nix (participated via phone), Secretary Mrs. Lynne Shackelford, Mr. Billy Blackwell, Ms. Shanese Dawkins, Mr. Johnny Sarratt, Jr. (participated via phone), and Mrs. Crystal Shippy. Administrators present were Superintendent Dr. Dana Fall, Executive Director of Finance Mrs. Sherri Morgan, Executive Director of Student Services Mrs. Bessie Westmoreland, and Executive Director of Academics Dr. Meredith Rose. Media Present: Mr. Scott Powell, The Gaffney Ledger.

In accordance with South Carolina Code of Laws, Section 30-40-80(d), as amended, the following have been notified of the time, date, and agenda of this meeting: The Cherokee Chronicle, The Gaffney Ledger, The Shelby Star, The Spartanburg Herald-Journal, Radio Stations WZZQ-AM and WFGN, WSPA-TV, WYFF-TV, and WSOC-TV.

Mr. Matt Davis called the meeting to order at 5:30 PM followed by the Pledge of Allegiance.

Approval of the Board meeting agenda was the next item on the agenda. **Mrs. Shackelford made the motion to approve the Board meeting agenda, seconded by Ms. Dawkins. Trustees voted unanimously for the motion.**

TAN Tax Anticipation Note Resolution – Mr. Mike Gallagher, Compass Municipal Advisors – Board Approval Requested was the next item on the agenda. Mr. Mike Gallagher with Compass Municipals Advisors outlined the Tax Anticipation Note process and how the process provides funding availability to cover any expenditures during the time of year when tax collection funding is low or has not occurred. A TAN Tax Anticipation Note is a short-term debt security issued by the state or local government repaid with future tax collections, plus interest. Cherokee County School District has always received funding through the local county treasurer's office during this time. This year, Cherokee County School District was notified that the county would be separating their funding streams leaving us to supply ourselves with our own funding source. A TAN Tax Anticipation Note would allow the district to be able to cover expenses and not interrupt payments and wage distributions. **Mr. Blackwell made the motion to authorize a Tan Tax Anticipation Note Resolution not to exceed \$15 million dollars, seconded by Mrs. Shackelford. Trustees voted unanimously for the motion.**

2022/2023 General Fund Budget 1st Reading – Board Approval Requested was the next item on the agenda. Dr. Fall, Superintendent, and Mrs. Sherri Morgan, Executive Director of Finance, provided the Trustees with the 2022/2023 General Fund Budget, 1st Reading. The following were the budget categories and provided detail for revenues and expenditures:

- **Local Revenues**

Local Tax revenue was calculated using information provided by the County Auditor's office with the latest millage value of one mill equaling \$135,313. This value was applied to the school district's current millage rate of 185.5 to calculate the total tax revenue. The Fee-In-Lieu of Taxes line was taken directly from a report provided by the County Auditor. Fee-In-Lieu reflects a decrease of an estimated \$39,653 in revenue compared to current year projections. The County Treasurer's Office recently started charging the district a fee for tax collections. For budgeting purposes, Collection Fees is assumed at 1% of the Ad Valorem, Delinquent and Vehicle Tax projected revenue.

- **State Revenues**

State Revenue was based on the final projections received from the SCDE. These projections include the increase for teacher salaries as well as bus driver salary increases. The district's teacher salary scale has increased bringing the minimum teacher salary to the state mandated \$40,000. The bus driver salary scale has also been adjusted by the state-mandated bus driver salary scale increase of .68 cents, bringing the minimum bus driver salary to \$13.68 per hour. The SCDE revenue projections now roll up several lines of revenue into one line for EFA and one for EIA.

- **Expenditures**

The largest increase in expense is related to salaries and benefits. Based on the final approved legislative information, the based salary for a teacher must be \$40,000. The state no longer requires that the district maintain the same local percentage. The budget as presented to you, includes the mandated teacher step increase, the mandated 5% bus driver increase, current step increases for Classified staff, as well as a 2% increase across most all other salary scales. For the Administrative and salaried Coordinator positions, a 4% increase has been applied to meet the SCDE mandate that administrators must exceed the Teacher Scale. In addition, the budgeted salaries and benefits include an increase of 19.6% in Athletic Supplements, an 18.1% increase in PEBA insurance expense starting in January or 1/2 the fiscal year, and a 1% increase to SC Retirement. The budget as presented reflects the elimination of 17 General Fund positions as a result of vacancies not filled or through attrition of positions no longer needed. In turn, 10 new positions have been included in the budget for support for the Elevate program, an Athletic Trainer and a Parking Lot attendant.

In closing, Mrs. Morgan reviewed any additional increases in expenses that were related to purchased services for Student Services contract staffing, increases in agency fees related to Foreign Teacher staffing, rate increases in utilities expense, postage, document storage, auditing, property insurance and field maintenance and utilities related to the leased Baseball & Softball fields. Also included were increases in SRO expenses due to salary increases by the City and County as well as increased overtime. The budget presentation included an expense related to the offset of the proposed Athletic budget deficit.

The Trustees were able to ask questions for clarity throughout the presentation. In closing, the Trustees had an open conversation on the current standing of the District, the fiscal neglect of previous boards and millage increases, the late finalization of this year's budget from legislature, and how many Districts in the surrounding areas were able to approve budgets in June given the surplus of funding and community tax support. **Mr. Davis made the motion to approve the First Reading of the General Fund Budget in the amount of \$85,075,067 and includes additional FTE's, seconded by Dr. Nix. Those voting in favor of the motion: Ms. Dawkins, Mrs. Shackleford, Mr. Davis, Dr. Nix, and Mrs. Shippy. Those voting against the motion: Mr. Blackwell. The motion did pass with a majority.**

Millage Increase for Fiscal Year 2022/2023 – Board Approval Requested was the next item on the agenda. Dr. Dana Fall, Superintendent, and Mrs. Sherri Morgan, Executive Director of Finance, presented the Trustees with a millage spreadsheet which calculates the maximum millage increase available at 12.0 mills and the possible revenue to be generated along with local tax revenue examples generated from a 6 mill increase, 8 mill increase, 10.2 mill increase, and a 12 mill increase. **After an open discussion, Mr. Blackwell made the motion to approve a 4 mill millage increase for fiscal year 2022/2023, seconded by Mrs. Shackleford. Trustees voted unanimously for the motion.**

Executive Session – Personnel Matters for the purpose of discussing the employment, discipline or release of an employee or employees of the District/Contractual Matters. **Mrs. Shackleford made a motion that the Board enter into Executive Session for Personnel Matters for the purpose of discussing the employment, discipline or release of an employee or employees of the District/Contractual Matters, seconded by Dr. Nix. Trustees voted unanimously for the motion.** The Executive Session began at 7:31 PM and ended at 8:16 PM. Mr. Davis said the Board had been in Executive Session for Personnel Matters for the purpose of discussing the employment, discipline or release of an employee or employees of the District/Contractual Matters. **Mrs. Shackleford made the motion to return to regular session, seconded by Mr. Blackwell. Trustees voted unanimously for the motion.**

Action as needed from Executive Session was the next item on the agenda. No action was needed from executive session.

Personnel Recommendations was the next item on the agenda under the Superintendent's Report. Mr. Davis called for a motion to approve the Personnel Recommendations. **Ms. Dawkins made a motion that the Board accept the Superintendent's Personnel Recommendations, seconded by Mrs. Shackleford. Trustees voted unanimously for the motion.**

Mr. Davis called for a motion to adjourn. **Mrs. Shackleford made the motion to adjourn, seconded by Ms. Dawkins. Trustees voted unanimously to adjourn.** The meeting adjourned at 8:20 p.m.


Mrs. Lynne Shackleford, Secretary

APPROVED BY:


Mr. Matt Davis, Chairman