

<b>Finance &amp; Operations Committee Meeting</b>	<b>Date: June 8, 2017</b> <b>Location: District Educational Service Center</b>
Members Present	Chair: Bill Payne Members present: Earl Campbell, Mary Cordray, and JoAnn Orischak.
Others Present	Drew Davis, Reggie Murphy, Robert Oetting, Tonya Crosby, Robyn Cushingberry, Dan Kolat, Larry Wilson, Mr. White and Beaufort Gazette Reporter.
	Meeting called to order at 4:35pm. Chair led the Pledge of Allegiance to the flag.
Action Item	<b>Motion to Approve the Agenda</b>
Highlights	<b>A motion was made by Mr. Campbell to approve the agenda. Seconded by Ms. Cordray. Motion was approved 4/0.</b>
Action Item	<b>Motion to Approve the Minutes</b>
Highlights	<b>A motion was made by Ms. Orischak to approve the minutes of the May 10, 2017 Finance and Operations Committee meeting. Seconded by Mr. Campbell. The motion was approved 4/0.</b>
Action Item	<b>3<sup>rd</sup> Quarter FY 2017 Financial Report (PE 3.7)</b>
Highlights	Tonya Crosby presented the 3 <sup>rd</sup> Quarter Financial Report <ul style="list-style-type: none"> <li>• County tax collections are running ahead of the previous year by approximately \$1M.</li> <li>• State revenues are coming in higher than last year.</li> <li>• Federal revenues are primarily coming from E-rate reimbursements.</li> <li>• The borrowing capacity for 8 % funds is down due to use of funds for May River High School construction.</li> <li>• Food Service revenues are down due to losses incurred during the tropical storm and Hurricane Matthew.</li> </ul> <p><b>A motion was made by Mr. Campbell to approve the 3<sup>rd</sup> Quarter Financial Report. Seconded by Ms. Cordray. The motion was approved 4/0.</b></p>
Action Item	<b>FY 2018 Tax Anticipation Note (TAN) Resolution</b>
Highlights	Tonya Crosby presented the FY 2018 Tax Anticipation Note Bond Resolution for \$18M. The resolution authorizes the school district to issue bonds to supplement the fund balance to provide needed cash flows until local tax revenues are received in early 2018. The district normally draws down the needed funds in the August time frame each year. By participating in the SCAGO borrowing pool, the district normally gets lower than market interest rates. <p><b>A motion was made by Ms. Cordray to approve the FY 2018 Tax Anticipation Note Bond Resolution for \$18M. Seconded by Mr. Campbell. The motion was approved 4/0.</b></p>
Action Item	<b>FY 2018 Fall SCAGO Bond Resolution</b>
Highlights	Tonya Crosby presented the FY 2018 Fall SCAGO Bond Resolution for \$3.575M. The resolution authorizes the school district to issue bonds for facilities and equipment purchases. Ms. Crosby stated the installment purchase revenue bond program was made available to school districts in 2006. Instead of borrowing larger amounts at one time, the school district utilizes this program to borrow smaller amounts at interval times with the benefit of lower interest rates by participating in the SCAGO program. Discussion was held. <p><b>A motion was made by Ms. Cordray to approve the FY 2018 Fall SCAGO Bond Resolution for \$3.575M. Seconded by Mr. Campbell. The motion was approved 4/0.</b></p>
Action Item	<b>Student Meal Price Increase</b>
Highlights	Tonya Crosby presented the FY 2017-18 Mandatory Student Meal Price Increase. The USDA calculates the target reimbursement rate (\$3.22) for student meal prices. USDA allows a maximum annual increase of \$0.10/meal. Calculations for the

	<p>upcoming school year require a minimum \$0.09 increase rounded up to 10 cents. Elementary school meal prices would increase from \$1.65 to \$1.75. Secondary level school meal prices would increase from \$2.15 to \$2.25. This change does not impact breakfast or free and reduced lunch prices.</p> <p>When compared to other school districts in the region, BCSD meal prices are in the median range.</p> <p><b>A motion was made by Mr. Campbell to approve the FY 2017-18 Mandatory Student Meal Price Increase. Seconded by Ms. Cordray. The motion was approved 4/0.</b></p>
Action Item	<b>Unpaid Meal Protocol</b>
Highlights	<p>Tonya Crosby introduced the unpaid meal protocol topic and turned to Mr. Wilson from Sodexo to lead the discussion. The proposed protocol is an update of protocol approved by the Board in 2011. USDA is now requiring a written and clearly communicated policy be in place by July 1, 2017. The proposed protocol follows the policy of SCSBA.</p> <p>Mr. Wilson stated that in the past, there have been an unpaid balance in the District as high as \$80-\$90K. Currently, it is down to around \$10K. Principals and school counselors are doing a good job of getting assistance when needed.</p> <p><b>A motion was made by Ms. Cordray to approve the Unpaid Meal Protocol. Seconded by Mr. Campbell. The motion was approved 3/1 with Ms. Orischak opposed.</b></p>
Action Item	<b>Minority Women Business Enterprise Report (PE 4.5)</b>
Highlights	<p>Tonya Crosby presented the Minority Women Business Enterprise (MWBE) Report for the six-month period July 1, 2016 through December 31, 2016. The MWBE participation for this period for certified and non-certified firms was 10.22% of the controllable budget. The board goal for MWBE participation is 20% of the controllable budget for certified firms.</p> <p><b>A motion was made by Mr. Campbell to approve the Minority Women Business Enterprise Report for the July through December 2016 period. Seconded by Ms. Orischak. The motion was approved 4/0.</b></p>
Information Item	<b>Construction Update</b>
Highlights	<p>Mr. Oetting presented a report of ongoing construction activities in the district. The summer work in the schools has just begun. Summer work must be completed by the time students return to class on August 17<sup>th</sup>. Mr. Oetting also updated the status of the DESC Warehouse, the DESC solar farm project and the WBECHS Gymnasium and Performing Arts Center.</p>
Information Item	<b>Hilton Head Island Potential Easement</b>
Highlights	<p>Mr. Oetting informed the Committee of a possible need to grant an easement to a land locked parcel to the north of the HHIHS property. The easement was in place when the land was acquired in the late 1990s. Facilities Planning and Construction will work with Mr. White, the owner of the property, to resolve the easement access.</p>
Adjournment	The meeting adjourned at 5:20 pm.

*\*These minutes are in draft form, have not been approved by this committee and are subject to modification until approved by this committee.\**