



GREER MIDDLE COLLEGE
CHARTER HIGH SCHOOL
HOME OF THE BLAZERS

**Board of Directors Minutes
June 28, 2021**

Members Present: John Short, John Mansure, Pauline Nichol, Tony Kouskolekas, Jennifer Jones, Hannah Mahaffey, Elliott Figueroa, Matt Williams

Administration Present: Jimmy Armstrong, Heather Timanus, David Gantt

Members Absent: Donna Smith, Darin Scheidly

1. The meeting was called to order by John Short, Vice Chair at 5:31 PM.
2. Reading of the GMC Mission Statement: Pauline Nichol
3. The board reviewed the proposed meeting agenda. Elliott Figueroa moved to approve the agenda from Elliot Figueroa. Motion passed unanimously.
4. The board reviewed the meeting minutes from the May 24, 2021 board meeting. Motion to approve minutes from Jennifer Jones. Motion seconded by Hannah Mahaffey. Motion passed unanimously. Jennifer Jones inquired whether there would be a board meeting in July. Mr. Armstrong stated that the board normally meets in July.
5. There were no public speakers.
6. Presentation by Jon Chilton of Trust Bank regarding the school's bonds:
 - a. Truist Bank was able to approve the modification of the school's existing bank bond debts over either a seven-year period or a ten-year period. If the school approves the proposed modifications of its existing debt for ten-year period, the school would realize an estimated net present value saving of \$824,840 over the 10-year period.
 - b. The bank currently has two separate bonds issued to the school. The bank analyzed whether it would be a benefit for the school to modify the two bonds to mature over a longer period time based upon an interest rate lower than the current rates on the two bonds.
 - c. The bank has made its best net-present-value calculation for modifying the debt later compared to its initial maturity dates. Based upon the bank's analysis, to overcome the costs associated with modifying the existing debt, the break-even amount is estimated \$505,000. Based upon refinancing the debt based upon current interest rates, the school will save \$200k over a seven-year period. Under the 10-year bond maturity scenario, the total savings will increase from an estimated \$288,000 to an NPV savings amount of \$340,000. These savings are assuming potential interest rate increases in the future and the adoption of the proposed federal corporate tax rates. The interest rate proposed is 2.31% assuming the federal corporate tax rate increases back to 28%. This is a benefit to tax-exempt corporation with the potential of corporate tax rates being increased in the near

future. The tax-exempt corporation tax advantages for the bank decrease if the corporate rates are reduced. The federal corporate tax rate has an inverse effect on the school's bond interest rate.

7. Administrative and Committee Reports:

a) Development Committee- Heather Timanus presented the report:

- i. Current school enrollment is 524 in anticipation of some students withdrawing before the start of school. This normally occurs due to families relocating and other factors. Greenville County Schools has adopted block scheduling for all of its high schools, which will impede mid-year transfers. We have a shorter waiting list than normal for the beginning of last year. However, that reduction also reflects an increase in freshman class size and limitations to COVID. We have strong wait-lists across the board, and we are receiving new applications all the time.
- ii. The school has a new design of the Senior Project logo. We are using the new logo to seek a business sponsor for the Senior Project Showcase and Presentation nights.
- iii. The school is deploying a new student lottery application and enrollment platform for next year application process.
- iv. The school is changing the lunch budget due to price increases that we are experiencing in our food costs. We are trying to balance the increased prices for the students with free and reduced lunch costs that PIP covers.
- v. Ms. Timanus announced that she is changing to part-time status. The lunch coordinator is being moved to full-time position, and Kelly Bailey is supervising the open enrollment and lottery process.

b) Administration Report – Jimmy Armstrong presented the report:

- i. The Class of 2021 had ten Palmetto Fellow scholars and two National Merit scholars.
- ii. Anne Goff has been hired as the Business Director, and she will replace Rosemary Small. Kim Esbenshade has been hired as the new science teacher. Jason Rainey has accepted the Spanish teacher position. We have posted an Emotional and Social Learning counselor position, which is funded with ESSER relief funds. This is a 2-year position and has been posted as such.
- iii. The school has initiated the charter renewal process with the SCPCSD. The renewal will be for a 10-year period. The process starts in July with a presentation to the full board in the future.
- iv. The defective activity bus has been sold back to its previous owner for the sum of \$100,000. Mr. Armstrong thanked the board and the staff for all of their hard work. The school will start looking for a replacement bus. The lawsuit is still moving forward regarding incidental costs and expenses associated with the non-activity bus. Mr. Short stated there are at least \$21-22,000 in additional costs and expenses that still need to be resolved through our attorney in Oklahoma. Mr. Armstrong is looking for a used bus now. The acquisition of

the new bus will probably occur past the beginning of the academic year. Mr. Short stated that we are looking for a new bus instead of a used one. Jennifer Jones asked about identifying more bus drivers for school activities. Mr. Armstrong said that we are looking at possible drivers from Greenville County Schools.

- v. The custodians have shampooed all classroom floors, stripped all the concrete floors, stripped and polished the PVC floors and patched the driveway entrance. Tony Kouskolekas asked about the raised the thermostat temperatures in the building. Mr. Armstrong said it was just for the summer to reduce energy costs.
 - vi. Mr. Kouskolekas also inquired about the staff end-of-year conferences. Mr. Armstrong stated that there were no surprises regarding the feedback from the employee conferences. He also stated that Cathy Derrick, new guidance counselor, had met with existing administrators and staff to prepare for next year. Counselors will be assigned to students by grade levels for one more year and then evaluated. Pauline Nichols asked if Ms. Derrick will be available during the summer. Mr. Armstrong said her start date will be the last week in July. He also stated that Ms. McCammon's last day is June 30th.
- c) Executive Committee Report- No report was presented.
- d) Finance Committee- John Mansure presented the report:
- i. Mr. Mansure gave a synopsis of the school's financial condition as of May 2021:
 - i. The school on-hand cash balance is \$3.079 million. Revenue for for May was favorable, and expense were unfavorable compared to budget.
 - ii. The school is still fine for its year-to-date financial situation. It current has 239 days of cash-on-hand in reserve.
 - iii. The school has correct its EFA funding information with the school district. School funding should be accurate moving forward.
 - iv. Tony Kouskolekas asked why the monthly Greenville Technical College payments were unfavorable for May. Mr. Mansure stated that it was catch-up payment for students who took college course the past semester. Mr. Armstrong stated it appeared to be a timing issue because it was a semester payment for the whole semester that was accrued in one specific month.
 - ii. Mr. Mansure presented the finance committee's recommendation concerning the modification refinancing of the school's building bonds:
 - i. Maturity date will move to 10 years. The extended maturity date would generate additional savings from the reduced interest rates compared to the "break funding fee" originally estimated.
 - ii. The total realized savings will be dependent on the final interest rate that the school locks in with the bank.

- iii. The school will realize significant savings over time provided the the bank's corporate interest rate doesn't drop below 2.52% over the next ten years. The interest rate on the bond could also be lower if the federal corporate tax rates increase during this period.
 - iv. The committee recommends that the school move forward with the bond modification. The cost for the bond modification is estimated to be \$489,000. However, the long-term savings over ten years should be over \$800,000.
 - v. Tony Kouskolekas asked whether the school was facing any significant financial issues on the horizon at this time. Mr. Armstrong stated that he believed that the school is fiscally sound and that the break-funding fees could be covered with the school's cash on-hand without depleting the cash reserve. The school's cash-on-hand situation has improved over the past few years.
 - iii. John Mansure moved to modify the school's existing bonds with Truist Bank to a ten-year maturity period at the lowest interest rate possible. Tony Kouskolekas seconded the motion. There was no further discussion. The motion passed unanimously.
 - iv. John Mansure moved to use the revenue from the forgiven federal PPP loan to cover the break-fee costs and other fees associated with the modification of the bonds. Tony Kouskolekas seconded the motion. Motion passed unanimously.
 - v. Mr. Armstrong stated that we were transferring some funds deposited with County Bank to BB&T.
 - e) Facilities Committee- John Short presented the report:
 - i. The activity bus issue was previously discussed as part of the Principal's Report.
 - ii. The committee has not met since the last board meeting.
 - iii. Mr. Armstrong stated that the additional classroom space situation is being addressed by making modifications within the existing building structure. The modifications are temporary in nature, which will not require state or county approval.
 - iv. There has been no discussion with Greenville Tech regarding the athletic fields project.
 - f) Policy & Governance Committee- No report at this time.
 - g) Academic Excellence Committee – Hannah Mahaffey presented the report:
 - i. Based upon the 21-22 survey, the committee made the following recommendations to the school administration:
 - i. audit the school's existing course catalog, including additional languages and applied courses;
 - ii. Evaluate and revise the process of approving and monitoring student clubs, including a stipend for club sponsors;

- iii. Establish a computer refurbishment schedule for existing computer equipment;
 - iv. Create opportunities for parent volunteer hours outside of normal school business hours;
 - v. Track and report student retention numbers in terms of retaining existing students;
 - vi. Establish teacher feedback procedures regarding classroom instruction;
 - vii. Establish a process for parent/student communications regarding administration and board roles.
- ii. The committee plans on meeting with Mr. Armstrong in the future to discuss these recommendations.
 - iii. Mr. Armstrong stated that there are options for additional foreign languages in the future. He also stated that Service Saturdays will be easy to implement now that COVID is declining. Teachers will receive additional feedback regarding classroom instruction as we return to regular school hours. Teachers and parents will receive additional information and explanations about the culture and structure of the school as part of our return-to-school training.

8. New Business

- a. Mr. Short presented the proposed 2021-22 school budget for its third reading. Tony Kouskolekas moved that the budget be approved for the next school year. Elliot Figueroa seconded the motion. There was no further discussion. The motion passed unanimously.
 - b. The administration received a request from a student with a medical condition for a waiver from Physical Education course requirement. By state law, the board must approve such a waiver request. Mr. Armstrong requested that the board grant the student the waiver. Elliot Figueroa moved that the board grant the physical education waiver request for the student based upon the student's medical condition. John Mansure seconded the motion. There was no further discussion. The motion passed unanimously.
 - c. Mr. Armstrong requested that the board grant him authority to purchase a new activity bus for the school. Tony Kouskolekas moved that Mr. Armstrong be authorized to spend up to \$125,000 for a new activity bus. Elliot Figueroa seconded the motion. There was no further discussion. The motion passed unanimously.
9. Elliot Figueroa made a motion to adjourn the meeting. The meeting adjourned at 6:48 p.m.
10. Next Board meeting is tentatively scheduled for **July 26, 2021 at 5:30 pm.**