

SCOTT COUNTY SCHOOL BOARD

MINUTES OF REGULAR MEETING

TUESDAY, MARCH 4, 2003

The Scott County School Board met in regular session on Tuesday, March 4, 2003, in the School Board Office Conference Room in Gate City with the following members present:

Gloria E. “Beth” Blair, Chairman

ABSENT: None

Lowell S. Campbell, Vice Chairman

W. Mack Gilliam

David T. Kindle

Glenn M. McMurray

E. Virgil Sampson, Jr.

OTHERS PRESENT: James B. Scott, Division Superintendent; Danny L. Dixon, Director of Instruction; C. Dean Foster, Jr., County Attorney; Darryl E. Johnson, Director of Operations; Danny L. Dixon, Director of Instruction; Loretta Q. Page, Clerk of the Board; K.C. (Karen) Quillen Linkous, Deputy Clerk; Matthew Smith, Corporate Benefit Consultants (Scott County Schools Health Insurance Consultant); Susan Greear, Jennifer Meade, and Amy Wettack, Health Insurance Committee Representatives; Jennifer Clark, Amy Sallee, Annie Gardner, and Tammy Montgomery, Salary, Fringe Benefit and School Calendar Committee Representatives.

CALL TO ORDER: Mrs. Gloria E. “Beth” Blair, Chairman, called the meeting to order at 6:00 p.m. and presided.

APPROVAL OF AGENDA: Chairman Blair asked if there were any additions to the agenda. Superintendent Scott requested additions to the agenda as follows: Items by Superintendent (IX.) Gate City High School and Rye Cove High School Volleyball Resolutions and Possible Approval of School Budget Following Budget Work Session. On a motion by Mr. McMurray, seconded by Mr. Campbell, all members voting aye, the board approved the agenda with additions as presented by Superintendent Scott.

PUBLIC COMMENTS: No member of the audience came forth to speak during this period.

APPROVAL OF MINUTES: On a motion by Mr. Sampson, seconded by Mr. Gilliam, all members voting aye, the board approved the minutes of February 4, 2003 Regular Meeting and February 4, 2003 Public Hearing, as submitted.

APPROVAL OF CLAIMS: On a motion by Mr. Kindle, seconded by Mr. McMurray, all members voting aye, the board approved payroll and claims as follows:

School Operating Fund invoices in the amount of \$560,336.17 and payroll in the amount of \$350,391.73 as shown by warrants #8056214-8056720 (#8055934 & 8056136 stop payment).

School Cafeteria Fund invoices in the amount of \$59,793.44 and payroll in the amount of \$34,788.32 as shown by warrants #1004717-1004827 (#1004774 voided).

School Construction Fund invoices in the amount of \$8,688.16 as shown by warrants #1900271-1900276.

Scott County Public School Head Start invoices in the amount of \$60,793.97 and payroll in the amount of \$2,111.16 as shown by warrants #1868-1969.

PRESENTATION FROM SALARY, FRINGE BENEFITS, AND SCHOOL CALENDAR COMMITTEE: Ms. Jennifer Clark, Salary, Fringe Benefits, and School Calendar Committee Representative, presented the Salary/Fringe Benefit Committee Proposal as follows:

1. The committee recommends funding the step increase for the 2003-2004 school year.
2. The committee recommends a minimum 3% raise based on actual salary for all employees.

3. The committee recommends that health insurance premiums be kept as low as possible. If there

is a required increase, the committee recommends that the doctor visit co-pay be raised from

\$15 to \$20. The committee also recommends that the prescription co-pay be kept the same.

4. The committee recommends to keep funding the \$1,000 retirement incentive for the last three

years before retirement.

5. The committee recommends that duty-free lunch for elementary teachers be continued.

Mrs. Clark stated that there was much debate on the proposed school calendar for 2003-04. She stated that the committee chose two calendars for all faculty and staff to vote on. She reported that on one calendar presented, school is scheduled to start early to get the first semester completed before the winter break. She stated that the other calendar presented is very similar to the current school year and has the first semester ending after the winter break. Mrs. Clark reported the vote on the school calendar as follows: 234 faculty and staff preferred the school calendar that has the first semester ending after winter break and 195 faculty and staff preferred the school calendar that has the first semester ending before the winter break. She explained that as a result of the vote on the school calendar by the faculty and staff, the committee is recommending the calendar that had the first semester ending in January after the winter break.

Some board members expressed that it would be beneficial for the students if the first semester ended before the winter break.

Superintendent Scott asked Mr. Darryl Johnson, Director of Operations, to explain the legislative action just received which affects setting the school calendar.

Mr. Johnson reported that if the school calendar is set so that the first day students are required to attend school occurs prior to August 15, a payment schedule must be established to ensure that all contract personnel are compensated for time worked within the first month of employment. He stated that teachers are currently paid in 12 monthly installments from September 1 through August 31 on their contract. He explained that one of the problems with

the new legislation and beginning school prior to August 15, is that the Board of Supervisors would have to make two payrolls during August. He reported that teachers receive their last installment on the prior school year's contract on the August payroll. He explained that beginning teachers work the contracted days during August and September before receiving the first payment on their contract, which is the September payroll. He also explained that for the teachers employed during the previous year, they are receiving payment in August for prior year services while working on their new contract on which payment begins in September. Mr. Johnson also reported that the legislative requirement with regard to compensation for days worked in August also creates a problem with the Virginia Retirement System (VRS) reporting since the amount of salary earned by the employee and reported to VRS is generally the same each month, unless there is an unusual circumstance.

Mr. Johnson presented a calendar similar to one of the calendars recommended for approval by the Salary, Fringe Benefit and School Calendar Committee except for the beginning date of school being listed as August 15. He explained the need to approve the beginning date of school at this time in order for next year's class scheduling to begin at the schools. He reported that according to the calendar being presented the semester ends on January 8th and that 9-weeks tests can be given on December 18th & 19th before the winter break. He reported that some complaints have been received that so much time is spent on the Standards of Learning that teachers would like to have the opportunity to teach more about a particular subject, etc. He stated that there would be a four-day period in January after which 9-weeks tests have been conducted that teachers could provide additional instructional time for the students on a particular subject in which they would like to teach. He explained that the teachers could test them on the material, whether by chapter tests, quizzes, etc. and add these grades to the grade average, if they wish to do so. Mr. Johnson stated that it is felt that the 9-weeks tests would be sufficient for the students. He explained that in prior years exams were given and it was felt that these exams were given in order to help to prepare students for college. He stated that it is felt that the Standards of Learning tests are comprehensive, that the students must pass and have verified credits, and that these tests fulfill the role exams have in prior years.

Superintendent Scott reported that teachers have commented that they would like to spend more time on certain subjects, for example, history, the Civil War, etc. and that they are unable to do so because of the time necessary to teach the Standards of Learning (SOL) and to prepare for the SOL tests.

Mr. Danny Dixon, Director of Instruction, stated that he felt it would be good for the teachers to have extra time to teach what goes beyond the Standards of Learning.

Superintendent Scott stated that, grade-wise, sometimes exams could hurt students more than helping, depending upon the situation encountered. He cited an example as for the last couple of years with the days of school missed due to inclement weather and students not having their books home to prepare for exams upon return to school.

Ms. Clark, Salary, Fringe Benefits and School Calendar Committee Representative, was concerned that it would be difficult to hold the attention of the students for the four days in January since they would have already have completed their first semester tests. She asked about changing the number of days allotted for the first and second semester.

Superintendent Scott and Mr. Johnson felt that the four-day timeframe following the 9-weeks tests could be very productive if the faculty really works with the students to maintain their interest. Superintendent Scott and Mr. Dixon explained that in order for students to receive credit for a class it must be certified by the Superintendent that they have met a specific number of required clock hours and that with the current block scheduling and the number of clock hours the students are receiving, it is impossible to reduce the number of days in the first semester and add them to the second semester.

Superintendent Scott explained some options available but reported that some of them are not workable and that some staff members do not wish to schedule school for certain days during holidays.

Mr. Johnson explained that December 18th and 19th could be flexible as far as scheduling the 9-weeks tests.

Superintendent Scott stated that the teachers have stated a desire to have as much time possible with the students since these students must have tests 15 days prior to the end of the semester. He explained that if you cut the semester shorter you would be taking tests even sooner, which would not be fair to the students.

Board members and administrative staff expressed that it must be stressed to school personnel the importance of making every effort for those four particular days discussed to be productive instructional days.

On a motion by Mr. Kindle, seconded by Mr. Campbell, all members voting aye, the board approved the school calendar presented by Mr. Johnson. **(Appendix A)**

HEALTH INSURANCE PRESENTATION: Mr. Matthew Smith, President-Actuary of Corporate Benefit Consultants, Inc. and Scott County Schools Health Benefit Consultant, reported that during the last two years the trends in health care costs have taken a dramatic increase. He reported that the trend has accelerated to a 15% increase in health care costs and that some companies have even projected a 20% increase.

Mr. Smith reported that in order to meet cost projections for the Self-funded Health Insurance Plan for 2003-04, the plan needs approximately \$300,000 in additional revenue. He stated that figures being quoted are based on expected projections. He reported that there are several issues to consider when deciding on how to make up for the difference in revenue. He reported that most plans share the cost by both reducing benefits and increasing premiums. He stated that with the amount of revenue needed to fund a salary increase for all personnel, the amount of funds for use toward the insurance plan is limited.

Mr. Smith stated that he expects the expenses for the health plan for the current year to exceed projections. He explained that even with the changes that are being proposed for next year, there still remains a need for more of a “cushion” in the fund. He recommended changes to the plan for the 2003-04 school year as follows:

Pharmacy Plan:

<u>(Current)</u>	<u>(Proposed)</u>
\$5.00 Generic	\$10.00
\$15.00 Formulary Brand	\$25.00
\$30.00 Non-Formulary Brand Name	\$35.00

or Compounded Prescriptions

Generic Drugs – Mandatory (when available)

Other Medical Plan Recommendations:

Physician Office Co-pay: Increase from \$15.00 to \$20.00

Deductible: Increase from \$250.00 to \$300.00

Emergency Room Fee: Increase from \$50.00 to \$100.00

Co-insurance: Change from 90% to 80%

Mr. Smith projected that the overall benefit plan changes for next year would save approximately 11 percent for use toward the additional revenue needed for the plan. He stated that the additional revenue needed to fund the plan would be from the proposed rate increase for next year as follows:

Medical Plan premium increase as follows:

	Employee		Employer	
	Current	(Proposed)	Current	(Proposed)
Employee Only	\$ 65.00	80.00	\$225.00	265.00
Employee + Minor Child(ren)	\$120.00	140.00	\$225.00	265.00
<u>Employee + Spouse</u>	<u>\$215.00</u>	<u>235.00</u>	<u>\$225.00</u>	<u>265.00</u>
Employee + Family	\$295.00	315.00	\$275.00	315.00

Dental Plan premium increase as follows:

Employee		Employer	
Current	(Proposed)	Current	(Proposed)

Employee Only	\$ 8.00	12.00	\$12.00	15.00
Employee + One	\$22.00	25.00	\$12.00	15.00
<u>Employee + 2 or More</u>	<u>\$39.00</u>	<u>45.00</u>	<u>\$12.00</u>	<u>15.00</u>

Mr. Smith projected that the changes to the dental plan would put the revenue closer to expected costs of the plan since current year dental plan expenses have exceeded revenue. He stated that the plan needs to have an amount of revenue in reserve so that the fund can get as close as possible to expected projections.

Mr. Smith reported that even with the proposed rate increase for next year, the rates are still below what employees were paying for health insurance in 1993 and in comparison of health care costs, there has been an approximate 250% increase in health care costs.

Superintendent Scott reported that health insurance plan revenue and expenses were discussed and it was decided that changes would be made to both the plan benefits and the premiums in order to alleviate costs to just plan benefits or premium increases. He reported that the employee rates being presented are less than the amount recommended by the Self-funded Health Insurance Committee; however, the difference is that the additional premium costs were added to the employer's portion of premiums instead of the employees. However, he reported that the School Board is providing a maximum amount of funding available to assist with premium costs and still be able to find enough revenue for all employees to have a 3% salary increase for next year. He reported that not all employees have the health insurance plan and it is not fair to fund the health insurance plan at a point where it is impossible to provide a salary increase for all employees. Also, he stated that the School Board would rather provide funding in premium costs rather than have to provide a transfer during the school year and have to look elsewhere in the budget to find this needed revenue.

Mr. Smith reported that the health insurance fund has a specific stop loss re-insurance which pays for any losses over \$75,000 and that the administrative cost of the re-insurer is based on aggregate claims. He reported that the re-insurance market is a "difficult" market at this time. He projected that increasing the level of coverage for the re-insurance to \$100,000 would approximately \$110,000. He reported that the experience factor has been good this year, with regard to the fact that only once claim exceeded the \$75,000 amount for coverage by the re-insurer.

Superintendent Scott provided an opportunity for the Self-funded Health Insurance Committee Members present to make comments. He commended the committee for their efforts and the hours spent on the challenge of trying to maintain the best possible health insurance plan coverage and to try to make it possible for the plan to be affordable to all employees.

Chairman Blair thanked Mr. Smith for his presentation and assistance with the health insurance plan for the school division.

Superintendent Scott reported that a change to the pharmacy plan was necessary due to the increase in claims for the pharmacy plan. He cited an example as \$36,000 as being the cost of pharmacy expenses for just one month. He also reported that to leave the plan benefits as they currently are would have meant an even higher increase in premiums for employees.

On the recommendation of Superintendent Scott and on a motion by Mr. Campbell, all members voting aye, the board approved the Self-funded Health Insurance rates and plan changes as presented and recommended by Mr. Matthew Smith, Health Insurance Consultant.

APPROVAL OF HEAD START POLICY COUNCIL MEMBERS: On the recommendation of Superintendent Scott and on a motion by Mr. McMurray, seconded by Mr. Kindle, all members voting aye, the board approved the Head Start Policy Council Members as follows: Ms. Karen D. Baker, Ms. Elizabeth “Betty” Powers and Ms. Lura Sheppard.

APPROVAL OF MEAL PRICES FOR 2003-04 SCHOOL YEAR: Superintendent Scott reported that currently the Cafeteria Fund is breaking even and although the School Operating Fund does not have to supplement this fund, an increase of \$.10 on breakfast and \$.10 on elementary and high school lunch is being recommended in order to provide a salary increase for cafeteria employees and to allow for an increase in food costs. He reported that the price for elementary and high school breakfast would be \$.75 and elementary lunch \$1.35 and high school lunch \$1.60. He also reported that the reduced prices for breakfast \$.30 and lunch \$.40 would remain the same for next year. He provided a list of full-price breakfast and lunch prices currently being charged in some local school divisions as compared to Scott County. He noted that Scott County is still below the majority of school divisions with meal prices.

On the recommendation of Superintendent Scott and on a motion by Mr. Gilliam, seconded by Mr. Sampson, all members voting aye, the board approved school breakfast and lunch prices as presented.

SCHOOL BUDGET UPDATE: Superintendent Scott reported that final revenue figures have been received by the state. He reported that the governor's veto session is scheduled for April 2. He stated that the governor could make some changes to the K-12 education but he felt this would not be very likely. He reported that the state approved a 2.25% salary increase beginning January 2004, which according to the fiscal year, really amounted to approximately 1.3%. He also reported that the salary increase included in the entitlements for next year may or may not be received since it was approved pending the economic status of the state in August 2003.

Superintendent Scott reported that a budget work session needs to be held immediately following the regular meeting tonight and pending input and a decision from the School Board the 2003-04 Proposed School Budget may be presented for approval following the budget work session.

GATE CITY AND RYE COVE HIGH SCHOOL VOLLEYBALL RESOLUTIONS:
Superintendent Scott presented Gate City High School and Rye Cove High School Volleyball Resolutions as follows:

RESOLUTION

GATE CITY HIGH SCHOOL VOLLEYBALL TEAM

LONESOME PINE DISTRICT, REGION D, GROUP A CHAMPION

BE IT RESOLVED, by the County School Board of Scott County, Virginia, as follows:

WHEREAS, the Gate City High School Volleyball Team of 2002-2003 has achieved an outstanding volleyball season by winning 22 games and losing 4 overall,

WHEREAS, the Gate City High School Volleyball Team won the Lonesome Pine District Championship with a record of 14 wins and 0 losses,

WHEREAS, the Gate City High School Volleyball Team was Region D, Group A State Runner-up,

WHEREAS, the Gate City High School Volleyball Team played in the State Quarter-final Game,

WHEREAS, the Scott County School Board wishes to extend congratulations to the Gate City High School Volleyball Team of 2002-2003 for winning the Lonesome Pine District Championship,

WHEREAS, the Scott County School Board acknowledges the outstanding performance of the Gate City High School Volleyball Team and is proud of the fine manner in which the team has represented Scott County,

WHEREAS, the Scott County School Board wishes continued success for the Gate City High School Volleyball Team and coaches,

BE IT FURTHER RESOLVED, that the Scott County School Board wishes a copy of this resolution to be presented to each player and the coaches of the Gate City High School Volleyball Team.

Gloria A. "Beth" Blair, Chairman

(Signature)

W. Mack Gilliam, Board Member

(Signature)

Lowell S. Campbell, Vice Chairman

(Signature)

David T. Kindle, Board Member

(Signature)

Glenn M. McMurray, Board Member

(Signature)

E. Virgil Sampson, Jr., Board Member

(Signature)

ATTEST:

Loretta Q. Page, Clerk
Superintendent

(Signature)

James B. Scott, Division

(Signature)

RESOLUTION

RYE COVE HIGH SCHOOL VOLLEYBALL TEAM

CUMBERLAND DISTRICT, REGION D, GROUP A STATE CHAMPION

BE IT RESOLVED, by the County School Board of Scott County, Virginia, as follows:

WHEREAS, the Rye Cove High School Volleyball Team of 2002-2003 has achieved an outstanding season by winning 25 games and losing 2 overall,

WHEREAS, the Rye Cove High School Volleyball Team won the Cumberland District Championship with a record of 6 wins and 0 loses,

WHEREAS, the Scott County School Board wishes to extend congratulations to the Rye Cove High School Volleyball Team of 2002-2003 for winning the Cumberland District Championship, Region D Championship, and Group A State Championship,

WHEREAS, the Scott County School Board acknowledges the outstanding performance of the Rye Cove High School Volleyball Team and is proud of the fine manner in which the team has represented Scott County,

WHEREAS, the Scott County School Board wishes continued success for the Rye Cove High School Volleyball Team and coaches,

BE IT FURTHER RESOLVED, that the Scott County School Board wishes a copy of this resolution to be presented to each player and the coaches of the Rye Cove High School Volleyball Team.

Gloria A. "Beth" Blair, Chairman

(Signature)

W. Mack Gilliam, Board Member

(Signature)

Lowell S. Campbell, Vice Chairman

(Signature)

David T. Kindle, Board Member

(Signature)

Glenn M. McMurray, Board Member

(Signature)

E. Virgil Sampson, Jr., Board Member

(Signature)

ATTEST:

*Loretta Q. Page, Clerk
Superintendent*

(Signature)

James B. Scott, Division

(Signature)

It was decided that an invitation would be extended to the Rye Cove High School Volleyball Team to attend the April 8 school board meeting at which time the team would be presented with a copy of the above resolution.

CLOSED MEETING: There was no request to enter into a closed meeting.

RESIGNATION: On the recommendation of Mr. Darryl E. Johnson, Director of Operations, and on a motion by Mr. McMurray, seconded by Mr. Campbell, all members voting aye, the board accepted the resignation request of Mr. Eric Fugate, Gate City Middle School Teacher, effective February 28, 2003.

RETIREMENT: On the recommendation of Mr. Darryl E. Johnson, Director of Operations, and on a motion by Mr. Sampson, seconded by Mr. Gilliam, all members voting aye, the board accepted the Early Retirement Incentive Plan (2003-2004) retirement request of Mr. Hobart Adams, Rye Cove Intermediate School Teacher; Ms. Sue Carter, Twin Springs High School Teacher; and Mrs. Mary St. Clair, Nickelsville Elementary School Teacher, effective at the end of the 2002-03 school year.

EMPLOYMENT: On the recommendation of Mr. Darryl E. Johnson, Director of Operations, and on a motion by Mr. Kindle, seconded by Mr. Campbell, all members voting aye, the board approved the employment of Ms. Sherry L. Burton as a substitute school bus driver.

On the recommendation of Mr. Darryl E. Johnson, Director of Operations, and on a motion by Mr. Sampson, seconded by Mr. McMurray, all members voting aye, the board approved the employment of Mr. William Patrick Johnson as a Computer Technician, effective March 3, 2003.

ITEMS BY BOARD MEMBERS: Mr. Sampson expressed appreciation to the staff and schools for the recognition shown for School Board Appreciation Month. He stated that he thought the recognition should be the other way around because board members need to show appreciation toward the staff and schools for the job that they do since it makes the board member's jobs easier.

Mrs. Blair expressed agreement with Mr. Sampson.

Mr. Kindle congratulated Gate City and Rye Cove Volleyball Teams and acknowledged the coaches' hard work for the teams.

ADJOURNMENT TO BUDGET WORK SESSION: On a motion by Mr. Kindle, seconded by Mr. Sampson, all members voting aye, the board adjourned at 7:10 p.m. to a budget work session on the 2003-04 Proposed School Budget.

RETURN FROM BUDGET WORK SESSION TO REGULAR SESSION: On a motion by Mr. Kindle, seconded by Mr. Sampson, all members voting aye, the board returned to regular session at 7:51 p.m.

Superintendent Scott reported that the proposed 2003-04 School Budget contains a 3% salary increase for all employees and a step increase for those employees not yet at the top of the salary scale. He stated that the County Board of Supervisors must receive the proposed school budget by April 1. He stated that the next school board meeting is to be held on April 8; therefore, the board would need to schedule another meeting during this month if they wished to schedule another budget work session or, if prepared to do so, approve the budget at this meeting.

APPROVAL OF 2003-04 SCHOOL BUDGET: On a motion by E. Virgil Sampson, Jr., seconded by Lowell S. Campbell, the board hereby approves the 2003-2004 School and Cafeteria Budgets as presented and pending any revenue changes to K-12 education that may take place during the governor's veto session to be held on April 2, 2003. (**Appendix C**)

ADJOURN: There being no further business to discuss, Mr. Campbell made a motion to adjourn at 7:53 p.m. motion was seconded by Mr. McMurray, all members voting aye. The next regular meeting is to be held at 6:00 p.m. on Tuesday, April 8, 2003, in the School Board Office Conference Room.

Gloria E. "Beth" Blair, Chairman

Loretta Q. Page, Clerk

