

**SCOTT COUNTY SCHOOL BOARD  
MINUTES OF REGULAR MEETING  
Tuesday, December 2, 2008**

The Scott County School Board met in a regular meeting, on Tuesday, December 2, 2008, in the School Board Office Conference Room in Gate City with the following members present:

Joe D. Meade, Chairman  
James Kay Jessee, Vice-Chairman  
Gloria E. "Beth" Blair  
Lowell S. Campbell  
Kathy J. McClelland  
Dennis C. Templeton

**ABSENT:** None

**OTHERS PRESENT:** James B. Scott, Division Superintendent; John R. Sigmond, School Board Attorney; Loretta Q. Page, Clerk; K.C. Linkous, Deputy Clerk; Gerald Miller, Mayor of Duffield; Mrs. Lisa McCarty, Scott County Virginia Star; Mr. Wes Bunch, Kingsport Times News; Patricia Currier, Virginia Professional Educators Association Representative; Justin Forrester, Scott County Education Association Representative; Amy Reed, Gate City High School Volleyball Team Coach and Team Members; Jack Newland and John Hamilton, Citizens.

**CALL TO ORDER:** Mr. Joe D. Meade, Chairman, called the meeting to order at 6:00 p.m. and presided.

**APPROVAL OF AGENDA:** Superintendent Scott requested that the Items By Superintendent: "Approval of Revised Head Start Budget & Salary Scales" be presented after the closed meeting. He also requested the addition of the following items: State Funding Shortfalls and Health Insurance Fund. On a motion by Mr. Jessee, seconded by Mr. Templeton, all members voting aye, the Board approved the agenda with the change and additions requested by Superintendent Scott.

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

**RECOGNITION OF CHELSEA GILLENWATER, NATIONAL MERIT SCHOLARS SEMIFINALIST:** The following resolution was read to the audience and received a round of applause in recognition of Chelsea Gillenwater's achievement as a Semifinalist in the 2009 National Merit Scholarship Program.

***Recognition of Chelsea R. Gillenwater  
Semifinalist in the 2009 National Merit Scholarship Program***

***WHEREAS***, Chelsea Gillenwater has been recognized as a Semifinalist in the 2009 National Merit Scholarship Program, by the National Merit Scholarship Corporation (NMSC) which was established in 1955 specifically to conduct the annual National Merit Program, and

***WHEREAS***, Chelsea Gillenwater has received this award which is presented to honor the nation's scholastic champions and for encouraging the pursuit of academic excellence, and

***WHEREAS***, Chelsea Gillenwater has demonstrated outstanding academic achievement by being selected as a Semifinalist after being in an initial screening of more than 1.5 million juniors in over 21,000 high schools who entered the 2009 National Merit Program, and

***THEREFORE, BE IT RESOLVED***, by the Scott County School Board that Chelsea Gillenwater is hereby congratulated for outstanding academic achievement as a Semifinalist in the 2009 National Merit Scholarship Program, and

**BE IT FURTHER RESOLVED** that the Scott County School Board hereby recognizes that Chelsea Gillenwater has exemplified outstanding academic skills, accomplishments, and potential for success in rigorous college studies, and

**BE IT FURTHER RESOLVED** that the Scott County School Board hereby extends best wishes to Chelsea Gillenwater as a Semifinalist in the 54<sup>th</sup> annual National Merit Scholarship Program as she continues to the Finalist competition, and

**BE IT RESOLVED BY THE SCOTT COUNTY SCHOOL BOARD**, that upon adoption, a copy of this resolution is to be presented to Chelsea Gillenwater for recognition of outstanding academic merit, hard work, dedication, and success.

Joe D. Meade, Chairman (Signature)

Gloria E. "Beth" Blair, Board Member(Signature)

Kathy J. McClelland, Board Member(Signature)

James Kay Jessee, Vice Chairman(Signature)

Lowell S. Campbell, Board Member(Signature)

Dennis C. Templeton, Board Member(Signature)

ATTEST:

James B. Scott, Division Superintendent(Signature)

Since Chelsea Gillenwater was not present to accept the resolution, it was decided that Chairman Meade would present the resolution to the Twin Springs High School student in recognition of her outstanding academic achievement.

**RECOGNITION OF GATE CITY CROSS COUNTRY:** Since the coach and team members were not present to accept the resolution in recognition of the Gate City Cross Country Track Team, it was decided that Mrs. Beth Blair, Board Member, would present the resolution to the team and coach in recognition of their outstanding season. The following resolution was read to the audience:

**2009 GATE CITY HIGH SCHOOL CROSS COUNTRY TEAM  
CLINCH MOUNTAIN DISTRICT SEASON CHAMPIONS  
REGION D CHAMPIONIONS AND PLACED 12<sup>TH</sup> AT GROUP STATE MEET**

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

**WHEREAS**, Gate City High School Cross Country Team achieved an outstanding cross country district season with the following individuals winning All-District:

Josh Winston

Matt George

Blair Vaughn

Maria Byrd

Dallas Burton

Morgan Taylor

Callie Barber

Kristen Trese

**WHEREAS**, Gate City High School Cross Country Team achieved outstanding success in the region tournament with the following individuals winning All-Region D:

Josh Winston

Blair Vaughn

Maria Byrd

Kristen Trese

**WHEREAS**, the Scott County School Board wishes to extend congratulations to the Gate City High School Cross Country Team for individuals winning All-District and All-Region D Championships,

**WHEREAS**, the Scott County School Board acknowledges the outstanding performance of the Gate City High School Cross Country 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 Cross Country Team and coaches,

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

Joe D. Meade, Chairman (Signature)

Gloria E. "Beth" Blair, Board Member(Signature)

Kathy J. McClelland, Board Member(Signature)

James Kay Jessee, Vice Chairman(Signature)

Lowell S. Campbell, Board Member(Signature)

Dennis C. Templeton, Board Member(Signature)

ATTEST:

James B. Scott, Division Superintendent(Signature)

**RECOGNITION OF GATE CITY HIGH SCHOOL VOLLEYBALL TEAM:** Chairman Meade read the following resolution to the audience and presented it to Mrs. Amy Reed, Gate City High School Volleyball Team Coach:

**GATE CITY HIGH SCHOOL VOLLEYBALL TEAM  
2009 CLINCH MOUNTAIN DISTRICT, REGION D, GROUP A STATE CHAMPIONSHIP**

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

**WHEREAS**, the Gate City High School Volleyball Team has achieved an outstanding regular volleyball season by winning 18 games and losing 1 overall,

**WHEREAS**, the Gate City High School Volleyball Team won the Clinch Mountain District Championship with a record of 20 wins and 1 loss,

**WHEREAS**, the Gate City High School Volleyball Team won the Region D Championship with a record of 23 wins and 1 loss,

**WHEREAS**, the Gate City High School Volleyball Team won the Group A State Championship with a record of 26 wins and 1 loss,

**WHEREAS**, the Scott County School Board wishes to extend congratulations to the Gate City High School Volleyball Team for winning the Clinch Mountain District Championship, Region D Championship, and for winning the State Quarter-final, Semi-final, and Group A State 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.

Joe D. Meade, Chairman (Signature)

Gloria E. "Beth" Blair, Board Member(Signature)

Kathy J. McClelland, Board Member(Signature)

James Kay Jessee, Vice Chairman(Signature)

Lowell S. Campbell, Board Member(Signature)

Dennis C. Templeton, Board Member(Signature)

ATTEST:

James B. Scott, Division Superintendent(Signature)

The Gate City High School Volleyball Team members and coach received a round of applause and comments in recognition of their outstanding volleyball season. Mrs. Amy Reed, Gate City High School Volleyball Team Coach expressed thanks for the support shown through the season and attendance at the games. She credited the team members for their hard work, time, and sacrifices in playing volleyball. She expressed appreciation for the work the team members have given to their team, school, and community. Team members in attendance at the meeting introduced themselves and Board members, along with Superintendent Scott, expressed congratulations and commended them for their success.

**APPROVAL OF MINUTES:** On a motion by Mr. Templeton, seconded by Mrs. McClelland, all members voting aye, the Board approved the minutes of November 5, 2008 as submitted by the Clerk.

**APPROVAL OF CLAIMS:** Superintendent Scott presented a list of School Operating Fund expenditures in the amount of \$106,557.25 for approval. He apologized for the list not being included in the meeting packets and provided an update on revenue and fund balance. He reported that it has been a good claim month and provided an opportunity to answer any questions. He pointed out that the \$14,671.02 claim to Pearson is for the Powerschool Implementation, which is the first payment on the new student information system software package. He explained that the high school scheduling training will be done in January and the other changes necessary will take place in the summer and be in place for fall. Mrs. McClelland asked Superintendent Scott if he checked on the calling system to see how much cost it would add. Superintendent Scott stated that this would probably be possible for this system and that the representative will have the information when he comes down in January. On a motion by Mr. Campbell, seconded by Mr. Jessee, all members voting aye, the Board approved payroll and claims as follows:

School Operating Fund invoices and payroll totaling \$1,194,507.92 as shown by warrants #8088818-8089228 (voided #8088831, 8088640 & 8088944).

School Cafeteria Fund invoices and payroll totaling \$177,219.90 as shown by warrants #1011394-1011492.

Scott County Head Start invoices and payroll totaling \$80,784.06 as shown by warrants #7448-7554.

**STATE FUNDING SHORTFALL AND APPROVAL TO REQUEST THAT THE COUNTY BOARD OF SUPERVISORS GIVE KEVIN HELMS, TREASURER OF SCOTT COUNTY, THE AUTHORITY TO APPLY FOR A LINE OF CREDIT FOR SCOTT COUNTY SCHOOLS:**

Superintendent Scott reported that the state has become slower in sending down funding for the school system. He explained that approximately 29 million of the budget is state funding and that as of November 6<sup>th</sup> only about 8 million had been received, with half of the year almost being gone. He reported that the school system was notified by the Department of Education that changes made, supposedly by the General Assembly, will delay payment probably until February for certain state funds, such as K-3, Summer School, Lottery, etc. He presented state revenue allocations sheets and details on the Category IV state funding for prior and current school years as an example of the changes in amounts and timeframes for receipt of those funds. He further explained that the school division will continue to have this problem until they receive the state funds that have been held back this year. He also reported that most of the local funding has already been provided to the school system. He further reported that only 30% of state funds have been received and about 14% of the federal funds and stated that funding has to be available to pay for expenditures that will be reimbursed with federal grants. He stated that the county has not been able to help, except for what they have appropriated for the school system. He provided a revenue deposit report as an example of the amount of state funding received monthly, approximately 2.1 million, which he explained varies slightly but is not enough to cover the cost of the school system's payroll and fringe benefits, which is about 2.3 million, without including the monthly claims. He also explained that if the payroll is made early, as usual, in December prior to the break, then that date is the 19<sup>th</sup> and only half of the monthly state funds will be available, making a funding shortfall of about 1.5 million. He stated that the present School Operating Fund balance is \$8,428.00 after paying the bills being presented for approval.

Superintendent Scott reported that he met last week with Mr. Rufus Hood, County Administrator, and Mr. Kevin Helms, Treasurer of Scott County, to discuss the situation. He reported that Mr. Hood spoke with Delegate Terry Kilgore about the situation and he is looking into the matter but explained that it will not help this year. He reported that the Board of Supervisors will meet tomorrow night and that it will take the school board's and board of supervisors' approval to apply for a line of credit for the school system. He explained the need to borrow enough funding until February or when the school system receives the funds discussed, at which time the loan and interest would be paid back. He explained that the amount to request is uncertain but there is a need to get funding so that the school system does not have to go make a request again. He stated the Board of Supervisors would need to give Mr. Kevin Helms, Treasurer of Scott County, the authority to apply for a line of credit for the school system and he would draw down the funds as needed. He provided an opportunity to answer board member questions. He explained that this type of situation has not happened before. He reported that the county has been good to

provide funding to the school system toward the required local effort and that the county owes the school system approximately \$900,000. He also explained that you must have funds available to spend on grants before you can get reimbursement. After this discussion, it was decided in order to ensure that enough funds are available until state funding is received as discussed, the school system would request that the Board of Supervisors authorize the Treasurer to apply for a \$3,000,000 line of credit.

On the recommendation of Superintendent Scott and on a motion by Mrs. Blair, seconded by Mr. Templeton, all members voting aye, the Board approved a request for the Board of Supervisors to give the Treasurer the authority to apply for a \$3,000,000 line of credit for the school system and with the understanding that the school system would pay back this loan, including interest, upon receipt of state funding as discussed and hereby approves a contract to this effect if required by the Board of Supervisors.

Superintendent Scott stated that there is no problem with the school system's funding it is just that a delay in receiving it from the state.

**REPORT ON HEALTH INSURANCE FUND:** Superintendent Scott presented claim information for the health insurance fund and explained that claims are paid weekly. He cited examples of the weekly claims amounts and explained that costs have increased due to usage, charges, and claims for the fund. He explained that what used to be a pretty good fund balance is just no longer true and that with approximately \$400,000 of claims in just one month it doesn't take long to use up funds. He reported that the employee/employer payroll deposit just went into the fund last week and after payment of two weeks of claims already it is unknown whether there will be enough funds for next week.

Superintendent Scott explained that the school fund could use the line of credit approved for the school system to provide assistance to the health fund. He stated that the school system can transfer funds or pre-pay funds for next year into the health fund with the understanding that if the health fund becomes stable then funds could be transferred back to the school operating fund. He reported that it will be necessary to review the plan and increase health insurance premiums for next year, with the school board picking up the bigger share of the increase. He expressed that he felt the cost of the family plan was the most out of line and cited examples. He informed the Board that Mr. Matt Smith, Health Insurance Consultant, has suggested that the school system may want to send out a request for proposal this year. He and Board members discussed the need to review premiums, options with the plan and to work on getting the fund stable; but, at the same time, try to keep a good plan and keep premiums affordable for employees. Superintendent Scott reported that the health insurance consultant is working on obtaining information from UnitedHealthCare for presentation to the health insurance committee and if he can get the information he needs from them he plans to meet with the committee prior to Christmas. Superintendent Scott stated that he would notify each school board member of the meeting in order to provide them with an opportunity to attend.

Superintendent Scott informed Board members that once the line of credit becomes available then it would be necessary to draw down enough funds to pay claims and make the fund stable.

Chairman Meade asked if everyone was clear on that; to which there were no further questions or discussion on the item.

**APPROVAL OF FUNDS FOR LEGO ROBOTICS GROUP:** Superintendent Scott reported that he received a request today and promised to bring the request to the Board's attention. He reported that the Lego Robotics Group at Nickelsville won the regional competition and will be going to the state competition this weekend in Harrisonburg if they can raise \$800 in additional funding. He reported that with only three days to raise the funds, he wasn't sure if the group would be able to raise all they need. He reported that Mrs. Alma Byington contacted him with a request to assist the group. He stated that he explained that as far as funding the school system must be careful with spending but he would like for the students to be able to go to the competition. Chairman Meade stated that he had the opportunity to attend a presentation from this group and that he was really impressed with the program. He stated that the students were well disciplined and that he felt the program was very worthwhile. Board members were concerned about setting precedence and asked about the Shoemaker and Nickelsville groups last year. Superintendent Scott stated that a small amount of funding was provided to the schools last year. It was also discussed that

those particular groups had grant funding. Superintendent Scott recommended that the Board provide part of the funding and the school provide the remainder. On a recommendation of Superintendent Scott and on a motion by Mr. Campbell, seconded by Mrs. Blair, all members voting aye, the Board approved \$500 in funding to be paid to the Lego Robotics Group at Nickelsville with the stipulation that Nickelsville Elementary School provide the additional \$300 to the group.

**CLOSED MEETING:** Mr. Jessee made a motion to enter into a closed meeting at 6:50 p.m., motion was seconded by Mr. Templeton, citing Section 2.2-3711A (1) of the Code of Virginia, as amended, to discuss personnel as follows: principals, central office staff, custodians, cafeteria, head start and teachers as provided in Section 2.2-3711A (3) of the Code of Virginia, as amended, all members voting aye.

**RETURN FROM CLOSED MEETING:** All members returned from closed meeting at 8:28 p.m. and on a motion by Mr. Templeton, the board returned to regular session and considered the following certification of the closed meeting:

#### **CERTIFICATION OF CLOSED MEETING**

WHEREAS, the Scott County School Board has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires certification by this Scott County School Board that such meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Scott County School Board hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies and (ii) only such public matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Scott County School Board in the closed meeting.

#### **ROLL CALL VOTE**

Ayes: Beth Blair, Lowell Campbell, Kay Jessee, Kathy McClelland, Joe Meade, Dennis Templeton

Nays: None

ABSENT DURING VOTE: None      ABSENT DURING MEETING: None

**EMPLOYMENT:** On the recommendation of Superintendent Scott and on a motion by Mr. Campbell, seconded by Mrs. McClelland, all members voting aye, the Board approved the employment of Ms. Phoebe Pape as a substitute school bus driver.

On the recommendation of Superintendent Scott and on a motion by Mr. Templeton, seconded by Mrs. McClelland, all members voting aye, the Board approved Ms. Cynthia Carter as a full time cafeteria employee for the remainder of the school year.

On the recommendation of Superintendent Scott and on a motion by Mr. Jessee, seconded by Mrs. Blair, all members voting aye, the Board approved the employment of Mr. Mark Sloan, upon completion of student teaching, as a special education teacher for the remainder of the school year.

On the recommendation of Superintendent Scott and on a motion by Mrs. McClelland, seconded by Mr. Templeton, all members voting aye, the Board approved the employment of Ms. Donna Hardy as a speech teacher, beginning the second semester, for the remainder of the school year.

On the recommendation of Superintendent Scott and on a motion by Mrs. McClelland, seconded by Mr. Templeton, all members voting aye, the Board approved the employment of Mrs. Tierston Bright as a Head Start Teacher effective the second week of December 2008.

On the recommendation of Superintendent Scott and on a motion by Mr. Campbell, seconded by Mr. Jessee, all members voting aye, the Board approved the employment of Mr. Adam Keith as Gate City Middle School Athletic Director for the remainder of the school year.

**APPROVAL OF SCOTT COUNTY PUBLIC SCHOOL REVISED HEAD START BUDGET FOR JANUARY 1, 2009 THROUGH DECEMBER 31, 2009 AND SALARY SCALES:** Superintendent Scott recommended approval of the Scott County Public School Revised Head Start Budget for January 1, 2009 through December 31, 2009 and Salary Scales as submitted and as was approved by the

Scott County Head Start Policy Council. On a motion by Mr. Jessee, seconded by Mr. Templeton, all members voting aye, the Board approved the Scott County Public School Revised Head Start Budget for January 1, 2009 through December 31, 2009 and Salary Scales as recommended by Superintendent Scott. (Appendix E)

**GATE CITY MIDDLE SCHOOL DESIGNATED AS PRIMARY EMERGENCY SHELTER WITH RYE COVE HIGH SCHOOL AND TWIN SPRINGS HIGH SCHOOL DESIGNATED AS EMERGENCY PICK-UP SHELTERS FOR THE GATE CITY MIDDLE**

**SCHOOLUNIT:** Superintendent Scott reported that with regard to the use of schools as emergency shelters, the Gate City Middle School is designated as the primary emergency shelter with Rye Cove High School and Twin Springs High School designated as emergency pick-up shelters for the Gate City Middle School Unit. He explained that the location of the Gate City Middle School to medical facilities, county health department and Scott County Social Services makes this unit the primary emergency shelter for Scott County. It was discussed that installation of elevators and renovations would be a great expense for the school system and necessary should Rye Cove High School and Twin Springs High School be used as primary emergency shelter units.

**SUPERINTENDENT CONTRACT TO BE RENEGOTIATED AND VOTED ON AT THE REGULAR SCHOOL BOARD MEETING IN JANUARY:** Chairman Meade announced to Board members and the public that the Board will renegotiate and vote on Superintendent James B. Scott's employment contract at the next regular meeting on January 6.

**ITEMS BY SCHOOL BOARD MEMBERS:** Mrs. McClelland reported, for Board member information that, about a week and a half after the Board met last, there was an article in the Kingsport Times News about the Imagination Library, of which the school board had given money to. She stated that she didn't care for the flavor of the article in that it implied that the money that had been given to Scott County was going to Lee, Scott, Wise, and the City of Norton. She reported that she received a breakdown of expenditures and the money is staying in Scott County. She informed members that she has a letter and verification with the budget breakdown if any members want to see it. She reported that they do our accounting for us but the money stays in Scott County. She stated that she knew the school board had given money to the program and needed to be accountable for it.

**PROPERTY UPDATE:** Superintendent Scott reported that the United States Army Core of Engineers informed him that they don't want to deal with the property or shouldn't have to unless the school system was planning to change the flow of the creek; so they are out of the picture. He also reported that he met with the other two groups, soil conservation, Billy Gilmer and David Gilmer and they have no problem with what the school system is doing. Until about three years ago, the school system took a 64 passenger school bus to the property so the school system doesn't have the problem they thought it did with the buses. He informed board members that he is seeking outside funding and can start doing some things as the funding is available.

**CHAIRMAN'S COMMENTS:** Chairman Meade stated that his term, as of tonight, as Chairman comes to a close. He expressed that he would like to apologize to fellow Board members for allowing this Board to be humiliated and really talked down to. He expressed that he didn't think that this was appropriate on his part. He stated that he wanted the public to have their say in everything the Board does during citizen's expression and each member, as far as that is concerned, having their say about any issue that they wish to, whatever that may be.

Chairman Meade stated that if anyone has anything new to be brought to this Board's attention they need to do so but some things have been repetitious with some of them directed to him but most of it directed to Mr. Scott. He expressed that Superintendent Scott has taken some abuse this past year and expressed that he (Chairman Meade) shoulders the blame for it. He also stated that at times school system staff has been talked about pretty seriously and as Chairman he feels bad about it. He told the Board that he hopes in the future the Board somehow tries to do a better job and finds a way to avoid these type actions and comments. He stated that he doesn't have a problem with freedom of speech, and people speaking their thoughts and opinion but to be abusive and that he allowed it to happen the past twelve

months, he expressed an apology to the Board, Mr. Scott, and everyone. He stated he hopes the Board can start the new year with the Chairman, who never that may be, and correct this situation.

Fellow Board members expressed thanks to Chairman Meade.

**ADJOURNMENT:** On a motion by Mr. Campbell, seconded by Mr. Templeton, all members voting aye, the board adjourned at 8:47 p.m.

Joe D. Meade, Chairman

Loretta Q. Page, Clerk