# SCOTT COUNTY SCHOOL BOARD MEETING MINUTES PUBLIC HEARING AND REGULAR MEETING TUESDAY, FEBRUARY 3, 2009

The Scott County School Board met for a public hearing on the Proposed 2009-2010 School Budget and regular meeting on Tuesday, February 3, 2009, in the Scott County Career & Technical Center Auditorium in Gate City, Virginia, with the following members present:

**ABSENT:** None

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

OTHERS PRESENT: James B. Scott, Division Superintendent; John Sigmond, School Board Attorney; Loretta Q. Page, Clerk; Karen C. Linkous, Deputy Clerk; Justin Forrester, Scott County Education Association President; Wes Bunch, Kingsport Times News; Lisa McCarty, Scott County Virginia Star, Nancy Godsey, Gate City Community Member; John "Jack" Hamilton, Hilton Community Member; Ralph Quesinberry, Scott County Career & Technical Center Director/Principal; John Ferguson, Gate City Middle School Principal; Danny R. Meade, Maintenance Supervisor; Billy Nash, Maintenance Employee; Reverend Steve Collins, Dungannon Community Member/First Baptist Church Pastor; Angie Salling, Central Office Employee; Danny Parks, Scott County Board of Supervisors; Brenda Parks (spouse of Danny Parks); Lori Flanary, Rye Cove Intermediate School Teacher; Kim Wilson, Weber City Elementary School Teacher; Travis Nickels, Shoemaker Elementary School Assistant Principal/Teacher; Jack Newland, Henry Clabaugh and William Quillen, Scott County School System Retirees; Jim Stallard, Gate City Community Member; John Barger, Gate City Community Member; Bryan and Mary Beth Matlock, Weber City Elementary School Parents.

<u>CALL TO ORDER- PUBLIC HEARING</u>: Chairman Jessee called the Public Hearing to order at 5:45 p.m. and presided.

<u>APPROVAL OF PUBLIC HEARING AGENDA</u>: Chairman Jessee asked for a motion to approve the agenda as submitted. On a motion by Mr. Templeton, seconded by Mrs. McClelland, all members voting aye, the board approved the agenda as submitted.

### PUBLIC HEARING ON PROPOSED 2009-2010 SCHOOL

**BUDGET/ADJOURNMENT:** The audience was given an opportunity for public comments on the Proposed 2009-2010 School Budget for the period of July 1, 2009 through June 30, 2010.

Mrs. Nancy Godsey, Gate City Community Member, questioned the percent of salary increase for various school employees, specifically central office personnel, in comparison to teacher salary increase. Mrs. Godsey also asked about the source for budget figures and if a list of salaried personnel as of January 6, 2009 is up to date.

Mrs. Godsey questioned the hiring and percent of non-certified teachers (teachers with a Provisional License), payments and reimbursements to and/or from the employees and school system for these classes toward certification. Mrs. Godsey also questioned the amount of funds spent on the classes and whether this is a savings for the school system.

Chairman Jessee expressed thanks to Mrs. Godsey.

After a brief period and there being no further comments from citizens concerning the Proposed 2009-2010 School Budget, Chairman Jessee declared the public hearing adjourned at 5:50 p.m. and informed the public that the regular meeting would begin in approximately ten minutes.

<u>CALL TO ORDER- REGULAR MEETING</u>: Chairman Jessee called the Regular Meeting of the Scott County School Board to order at 6:00 p.m. and presided.

APPROVAL OF REGULAR MEETING AGENDA: Superintendent Scott requested additions to the agenda as follows: G. Local ERIP; H. State ERIP; I. Title I Grant; J. Insurance Update; and approval of an additional claim in the amount of \$1,500.00 for the postage meter. On a motion by Mr. Campbell, seconded by Mr. Templeton, all members voting aye, the board approved the agenda as submitted and including the additions as requested by Superintendent Scott.

SCHOOL BOARD APPRECIATION: In recognition of February being School Board Appreciation Month in Virginia, Superintendent Scott presented certificates with best wishes and thanks from the Virginia School Board Association honoring school board members for their commitment and service to the children of the Commonwealth.

Chairman Jessee presented Certificates of Recognition honoring Mrs. Loretta Q. Page, School Board Clerk; and K.C. Linkous, School Board Deputy Clerk, for dedicated work in public education and continuing service to the students of the Scott County School System.

### REVEREND STEVE COLLINS - DISCUSSION CONCERNING COURSE

OFFERINGS: Reverend Steve Collins informed Superintendent Scott and board members of courses currently being offered and available to teachers and others through the Southwest Virginia Christian Leadership Network and John Leland Center for Theological Studies. An example of one of the course offerings containing details on the class meeting place, dates, time, objectives, required texts, schedule, requirements, grading policy, and plagiarism was presented to the Board. Reverend Collins explained that the courses are offered through some of the local colleges and has proposed the course offerings to others in the area as well. Reverend Collins further explained that scholarship assistance is available at a reduced cost of \$250 per course for those meeting requirements through the Baptist General Association of Virginia.

Board members and Superintendent Scott discussed the need to determine whether the proposed courses have been approved by the Virginia State Board of Education in order for teachers to use toward recertification requirements. It was also discussed that the classes are already available to teachers; however, should it be determined that the course offerings can be used toward recertification then more teachers may be interested in them.

Superintendent Scott is to check with the Virginia Department of Education to determine whether the courses are approved toward recertification requirements for teachers and, if not, what would need to be done.

Mr. Meade requested that the Board adopt a resolution in support of this endeavor. Superintendent Scott and other members were hesitant to do so until it was determined whether teachers could be notified that these courses can be used toward meeting their recertification requirements. Superintendent Scott explained that he did not want teachers

to have any misunderstanding with regard to whether or not the proposed courses would count toward their recertification requirements.

<u>PUBLIC COMMENTS - BOARD APPRECIATION FROM STAFF:</u> Mr. Travis Nickels, Shoemaker Elementary School Assistant Principal/Teacher, and Mr. John Ferguson, Gate City Middle School Principal, expressed thanks and appreciation to Board members on behalf of the county, staff and students in the school system. Mr. Nickels also invited them to a luncheon at Shoemaker Elementary School on February 19.

<u>APPROVAL OF MINUTES</u>: On a motion by Mr. Campbell, seconded by Mr. Templeton, all members voting aye, the board approved the minutes of Tuesday, January 6, 2009 as submitted.

**APPROVAL OF CLAIMS:** On a motion by Mrs. Blair, seconded by Mrs. McClelland, all members voting aye, the board approved payroll and claims as follows:

School Operating Fund invoices and payroll in the amount of \$1,107,460.07 as shown by warrants #8089618-8090002.

School Cafeteria Fund invoices and payroll in the amount of \$109,019.46 as shown by warrants #1011594-1011680.

Scott County Head Start invoices and payroll in the amount of \$73,650.57 as shown by warrants #7646-7720.

### APPROVAL OF WAIVER OF PRE-LABOR DAY OPENING REQUIREMENTS

FOR 2009-2010 SCHOOL YEAR: Superintendent Scott explained that Scott County Schools meets the Virginia Department Of Education's criteria set forth for the waiver of Pre-Labor Day opening requirements because of the number of instructional days missed in the past ten years due to inclement weather. The following information was presented to school board members (7 days missed during the 2008-09 school year as of today 2/3/09):

School Year	Days Missed
2007-2008	5
2006-2007	4
2005-2006	6
2004-2005	4
2003-2004	8
2002-2003	14
2001-2002	8
2000-2001	7
1999-2000	11

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 Waiver of Pre-Labor Day Opening Requirements for the 2009-2010 school year.

APPROVAL OF OVERNIGHT FIELD TRIP REQUESTS: On the recommendation of Superintendent Scott and on a motion by Mrs. Blair, seconded by Mr. Campbell, all members voting aye, the board approved the overnight field trip request received from the Rye Cove High School All-District Band to attend the All-District Band Clinic on February 6-7, 2009.

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 overnight field trip request received from the Rye Cove High School All-State Band to attend

the All-State Band Auditions at James Madison University in Harrisonburg, Virginia, on February 27-28, 2009.

# APPROVAL OF OVERNIGHT FIELD TRIP REQUEST WITH CONDITION:

On the recommendation of Superintendent Scott and on a motion by Mr. Meade, seconded by Mr. Templeton, all members voting aye, the board approved the overnight field trip request received from the Rye Cove High School Band to attend the Festival Invitational Band Competition in Williamsburg, Virginia on March 26-29, 2009 with the condition that an additional school employee attend the field trip and a clarification concerning a teacher being listed on both this trip and the FCCLA trip on the same date.

OVERNIGHT FIELD TRIP REQUESTS TABLED: On a motion by Mr. Templeton, seconded by Mr. Meade, all members voting aye, the board voted to table the overnight field trip request received from the Rye Cove High School FCCLA to attend the FCCLA State leadership & Recognition Conference in Virginia Beach, Virginia, on March 26-29, 2009 due to no number of students being listed and a conflict with a teacher being listed as attending both the Band Competition in Williamsburg on March 26-29 and the FCCLA trip in Virginia Beach on the same date. The Board also tabled the Gate City High School FCCLA trip to the State FCCLA Leadership Conference in Virginia Beach, Virginia, on March 26-29, 2009 due to the names of chaperones not being listed on the request. Superintendent Scott is to obtain the additional information requested and provide a clarification on the field trips for resubmission to the Board at their March meeting.

# **DISCUSSION CONCERNING ESTABLISHMENT OF A TRUST:**

Superintendent Scott informed Board members that he recently received notification that the Scott County School Board is listed as a beneficiary of a trust from a former resident of Scott County and explained that it is being given for the purpose of providing a college fund for scholarships. He reported that, at this time, the trust is estimated to be possibly somewhere between \$200,000 and \$300,000 but explained that this amount will change due to the set up of the trust in that it is still being used by the benefactor for certain expenses.

Superintendent Scott suggested that Mr. John Sigmond, School Board Attorney, could review the SCOFFEE (Scott County Foundation For Excellence in Education) to determine if that fund could be used for this purpose and if not, then he recommended that the Board authorize Mr. Sigmond to proceed with the establishment of a trust. Superintendent Scott reported that members of the SCOFFEE met and discussed the funds that are being held in the fund that were remaining after the house was built by the building trades students and as was the purpose established. He reported that the SCOFFEE members are receptive to ideas on what would be a good project for using the funds. After discussion, it was decided that the SCOFFEE funds remain separate from other funds received for a trust.

# ESTABLISHMENT OF SCHOLARSHIP TRUST: SCOTT COUNTY COLLEGE

<u>**FUND**</u>: On a motion by Mr. Meade, seconded by Mrs. McClelland, the Board hereby authorizes Mr. John Sigmond, School Board Attorney, to proceed with the establishment of a trust for the purpose of providing a college fund for scholarships as discussed.

Mr. Sigmond reported that he received a notification from the attorney of the benefactor's trust that stated there was an interest in changing the trustee from Sun Trust Bank to a private individual because administration fees to the bank were somewhat exorbitant and that the benefactor's attorney believed that School Board approval would be needed for that to take place. On a motion by Mrs. McClelland, seconded by Mr. Templeton, all members voting aye, the Board approved Mr. John Sigmond, School Board Attorney, to

serve as an agent on behalf of the Board to proceed with the legal business in the conversion of the trustee as discussed and Chairman Jessee was authorized to sign the documents necessary for the substitution of the trustee on behalf of the Board.

<u>UPDATE ON 2008-2009 SCHOOL BUDGET AND PROPOSED 2009-2010</u> <u>SCHOOL BUDGET</u>: Superintendent Scott presented state revenue projections based on the Governor's current proposal as introduced December 17, 2008 for FY 2009 (3,775 ADM) and the FY 2010 (3,750 ADM) and a previous proposal as of March 13, 2008 for comparison. He explained that the Governor's current proposal for FY 2009 has a projected state revenue estimate of \$28,964,274 and the previous proposal was \$29,226,584 making a \$262,310 decrease in state funding. He also explained that the Governor's current proposal for FY 2010 has a projected state revenue estimate of \$27,174,570 and the previous proposal was 29,323,288 making a \$2,148,718 decrease in state funding.

Superintendent Scott reported that the county's local effort for 2008-09 school year is \$5,201,544 and projected \$4,917,304 for 2009-2010 with a decrease in local effort of \$284,240. He explained that this amount is projected to be about \$50,000-60,000 more than required; however, he stated it is better to budget a little extra funding due to the uncertainty of the number of students for meeting the local required effort.

Superintendent Scott reported that currently for this school year, in addition to their regular monthly employer premiums, the Board has transferred approximately \$358,000 into the School Employees Health Insurance Fund. He further reported that for the 2009-2010 school year approximately \$550,000 more in additional funding is projected to be needed from the Board for premiums in order to try to have enough funds for covering claims for next year.

Superintendent Scott explained that if you add the amount projected for the decrease in state funding, the decrease in local effort and the additional funding needs for the employer share of health insurance premiums, then the total amount of funding to try to come up with for next year's budget is around \$3,000,000. He stated a need to continue to cut back expenditures where possible, be careful concerning decisions on expenditures, see how things go in the future and then go forward.

Superintendent Scott reported that the School Debt Service paid by the county will decrease by \$54,690.88 for 2009-2010 school year and that the entire school debt is scheduled to be paid in full by 2012.

DISCUSSION CONCERNING LETTERS TO BE SENT FROM
SUPERINTENDENT ON THE NON-RENEWAL OF CONTRACTS FOR NONTENURED TEACHERS FOR 2009-2010 SCHOOL YEAR: Superintendent Scott reported that for the past couple of years letters have not been sent out to non-tenured teachers but due to the uncertainty of the number of retirees for the coming year and the uncertainty of state funding until determined by the General Assembly in late February, there is a need to notify non-tenure teachers that he plans to recommend to the Board at the March meeting that these teachers' contracts not be renewed for the 2009-2010 school year, at this time.

Superintendent Scott and Board members discussed sending out the letters and as per Board member request, Superintendent Scott will send a copy of his letter of recommendation for non-renewal of contracts for the 2009-2010 school year of non-tenured teachers to school board members for their information.

# LOCAL AND STATE ERIP (EARLY RETIREMENT INCENTIVE PLAN):

Superintendent Scott reported that the local ERIP will be a great savings for the school system. He estimated that approximately 20-25 classified and 5 or 6 non-classified personnel will accept the local ERIP.

Superintendent Scott reported that the state is offering an ERIP (Early Retirement Incentive Plan) proposal that would have to be approved by the School Board and Board of Supervisors should the Board choose to participate in the plan. He cited an example that employees being at least age 50 and having 25 years of service would be eligible to purchase 5 years of service. He explained that a plan of this type was approved by the school board and board of supervisors several years ago but did not turn out well since it created a financial burden to the school board due to the penalty added to each of the yearly payments because of the high percentage rate charged by the (VRS) Virginia Retirement System. He further explained that finally, after a few of the yearly payments were made by the school board, in order to avoid further additional costs, the board of supervisors paid the balance due for participation in this plan.

Superintendent Scott explained to the Board about a couple of employee situations where special consideration would have to be given to extend the date for a few months for the local ERIP plan should the Board allow these particular employees to have the opportunity to participate. He explained that it would be a win/win situation for the employee and the Board in these situations since the employees would not be replaced. It was discussed that you need to have a date set up, voted on, and stick to it; that anytime you are moving the date you may be affecting someone else; that the numbers do show it is an advantage for the school system to participate in the plan; and how do you determine another date.

After discussion, Superintendent Scott stated that he would review the number of employees having 20-25 years of service and provide this information to the Board for their determination on participation in the plan.

APPROVAL OF REVISED TITLE I POLICY: Superintendent Scott explained that the revised Title I policy needs to include the statement that the school system will provide each parent a timely notice when their child has been assigned or has been taught for four (4) or more consecutive weeks by a teacher who is not highly qualified. On the recommendation of Superintendent Scott and on a motion by Mrs. McClelland, seconded by Mr. Meade, all members voting aye, the Board approved the revised Title I Policy IGBC-R as submitted.

<u>INSURANCE UPDATE</u>: Superintendent Scott reported that Health Insurance Fund claims have been less for the past couple of weeks and stated the possibility there may be enough funding to cover claims for this month without any additional funding from the Board.

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

**RESIGNATION:** On the recommendation of Superintendent Scott and on a motion by Mr. Meade, seconded by Mrs. Blair, all members voting aye, the Board accepted the resignation request of Mrs. Cheryl Jones Taylor effective January 30, 2009.

<u>ITEMS BY BOARD MEMBERS</u>: Mr. Campbell requested that Superintendent Scott check on the possibility of a "Family Pass" for the season games for the high schools. Superintendent Scott reported that a couple of the high schools have something worked out

with local grocery stores that for each ticket purchased you can get \$2 worth of groceries. He stated that it would be good for this to be looked at by the other schools and that he would look into season passes for families.

Board members expressed thanks for the board appreciation dinner held prior to the meeting.

Mr. Templeton stated the following: "Sound fiscal management is essential as the school Board oversees the implementation of the budget. The monthly financial report should show how close actual revenues and expenditures are to the budget plan as well as the budgeted amount in each line, any transfer activity by line, actual expenditures, encumbrances, and projected expenditures until year ends. The report also should provide an estimated deficit or surplus amount for each line in the budget and an estimated deficit or surplus in each category." "A school board cannot make intelligent decisions concerning the schools unless it has accurate up-to-date financial data. Such data are available only if the accounting system and procedures are adequate and the Board receives its financial reports in a timely manner." "Each Virginia school board has the legal duty to manage and control the funds made available for public schools. (VA Code Ann.22.1-89)" "The State Board, in conjunction with the Auditor of Public Accounts, shall establish and require of each school division a modern system of accounting for all school funds, state and local, and the treasurer or fiscal agent of each school division shall render each month to the school board a statement of the funds in his hands available for school purposes. Elizabeth Ewing, Director, Legal and Policy Services, Virginia School Boards Association, Charlottesville, Virginia." "I have a copy of the August 5, 2008 minutes, at this Board meeting Mr. Scott submitted a revised policy manual along with a copy of policy (File DI) Financial Accounting and Reporting: On a motion by Mr. Campbell, seconded by Mr. Jessee, all members voting aye, the Board approved the revised policy manual as submitted along with (File DI) Financial Accounting and Reporting which states that the School Board will receive monthly financial statements." "Superintendent Employment Contract dated the 6th day of January 2009: The Superintendent shall have responsibility for the administration of the schools under the supervision of the Board. In undertaking his duties, he shall abide by the United States and Virginia Constitutions, all applicable local, state and federal laws, rules, and regulations, and all rules regulations, and policies of the Virginia Board of Education and the School Board of Scott County, Virginia. The administrative responsibilities of the Superintendent shall include, but not be limited to, proper accounting for all funds." "Mr. Scott and the new school board entered into a new beginning as the Board and Mr. Scott agreed and signed his new contract dated and signed Jan. 6, 2009. This agreement is now law between Mr. Scott and the Scott County School Board. I am sure Mr. Scott wants to be paid the six figure salary and all the other benefits stated in his newly signed contract in a timely manner. I also want Mr. Scott, to abide by the United States and VA Constitution, all applicable local, state and federal laws, rules, and regulations and rules, regulations and policies of the VA Board of Education and the Scott County School Board. As he agreed to this obligation with his signature on his newly signed contract Jan. 6, 2009."

Mr. Templeton made a motion that we go by the policy manual and precisely DI – Financial Accounting and Reporting, Code of Virginia 22.1-115. Mrs. McClelland seconded the motion stating she thought we should already be doing this.

<u>VOTE</u>: Ayes: Katherine J. "Kathy" McClelland, Dennis C. Templeton Nays: Gloria E. "Beth" Blair, Lowell S. Campbell, Joe D. Meade

Abstain: James Kay Jessee

Board members voting "nay" to Mr. Templeton's motion cited various reasons: since the policy, *DI: Financial Accounting and Reporting*, was previously approved there was no need to approve it again; and since the motion was presented during the "Items By Board Members" it was questioned whether this timeframe was out of order; also, the Board had previously discussed at a prior meeting that any members presenting an item should apprise fellow members prior to a meeting in order that members have time to review them and to make more informed decisions; and, that a copy of the budget is received, the lists of expenditures paid are provided each month and figures can be ciphered.

Mrs. McClelland expressed that she would like to see a financial report which includes an amount budgeted, revenue received, and expenditures deducted so that you could see a remaining balance; therefore, when financial matters are being considered by the Board this would allow her to be a better school board member.

<u>ADJOURNMENT:</u> Mrs. McClelland made a motion to adjourn at 7:30 p.m., motion was seconded by Mr. Campbell, all members voting aye.

James Kay Jessee, Chairman

Loretta Q. Page, Clerk