

Dickenson County School Board Special Called Meeting - Summary Minutes

May 20, 2020

I. ROLL CALL AND MEETING CALLED TO ORDER - 5:00 P.M. The meeting was called to order by Chairman, Dr. Lurton Lyle followed by the Pledge of Allegiance and a Moment of Silence.

a. **Members in Attendance:** Dr. Lurton Lyle, Chairman; Rick Mullins, Vice-Chairman; Jason Hicks; Damon Rasnick; Jamie Hackney; Tonya Baker, Clerk; and Haydee Robinson, Superintendent; Scott Mullins, Board Attorney

b. **Approval of Agenda**

Chairman Dr. Lurton Lyle asked for a motion to approve the agenda with no changes.

Following a motion by Rick Mullins and second, by Damon Rasnick, the agenda was approved.

Vote results

Aye:	5	Dr. Lurton Lyle, Rick Mullins, Jason Hicks, Damon Rasnick, Jamie Hackney
No:	0	
Abstain:	0	
Not Cast:	0	

II. UPDATE ON LITIGATION AND NEW ELEMENTARY SCHOOL PROJECT

Scott Mullins: We are meeting here today, not by coincidence but because we try to schedule our meetings immediately after the Board of Supervisors meetings because time is of the essence. Just to lay a little bit of historical foundation, both sides working through counsel, our counsel in Abingdon theirs in Roanoke have been working towards an agreement to resolve litigation. Both attorneys are very capable. The document though is pretty concise and pretty simple and at the last meeting of the school board, you passed that in a vote 5 to 0 and authorized Dr. Lyle to sign it. The agreement, in essence, is pretty simple. It said that the School Board would pick the location. The school board would have access to the money that the Corps of Engineers is holding, the 24.5 million. That construction accounts, that those funds would be used for wetlands mitigation and the other things that are non-discretionary requirements in dealing with the Corp but that any remaining funds would not be used for things that would be discretionary like tennis sheds or visitors restrooms. The money would be held until such time as we had the new elementary constructed and the kids were in it. That was that million dollars or so that we had in our construction accounts. We had to work that out a little but not really a lot of controversies there. There was something we could work on when reasonable compromises were made. We agreed that they would get the money that was needed to pay the QSCB bonds which were the only remaining debt from the construction accounts. That they would appropriate a term of art but they feel like it's necessary for them to appropriate that money that we could get from the Corps of Engineers, and while we disagree with that we feel like that we have the legal authority as the school board to contract with the Corps of Engineers without them doing any more. We really weren't disagreeing with that as long as we ultimately had access to the money. It seems like last time when we were here there were two issues that were separating us and one was \$600,000 that was attributable to credits that were taken from the school system's budget to be applied to

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the Haysi project and after that happened we learned that the Haysi project would not need to make a 5% match so those credits should come back to the school system. The wetlands mitigation which is around \$250,000. But the very time-sensitive work that has to be done. Yesterday the Board of Supervisors convened a closed meeting and they came out and they approved the resolution, the use of the 202 credits and \$600,000 would come back to us and that we could have up to 250,000 to do the wetland mitigation. The parties up until last night had been working towards an agreement. To make sure we're communicating there's a difference between an agreement and a resolution. An agreement is where parties sit down and they put the main provisions of things they agree to be bound by, in writing, and they read those things that are important to the contract, important to both sides and sign it. There's nothing novel about it, I mean we do agreements every day. In order to bind parties down to a resolution that have differences, the way you go about that is to sign an agreement. What they did last night was pass a resolution. Boards speak through resolutions and resolutions are important. When you pass a resolution it gives the public direction on what you're thinking as a collective unit, as a board, not any one individual. Resolutions are important, resolutions can change. You can resolve to do A today and the next meeting change your mind and resolve to do B and the next meeting C. Resolutions are not binding, agreements are binding. I think I've consistently said and what I thought was working towards is that for us to go forward and to enter into a contract, a multimillion-dollar contract. We need to know where we stand and we need to know that there are no obstacles in our way that keep us from complying with the terms of the contract if we are going to go forward with the school. Both sides need to know where they stand. Actually three sides need to know where they stand because the IDA is a part of this too. We all need to sit down and have a really simple straightforward agreement that we all agree to be bound by and sign off on it. From a legal perspective just passing a resolution saying you agreed to do this today that's informative, and that's helpful, that's something we can look at but ultimately the whole idea here is to do a deal. To finalize this thing with a written agreement and so until we get to that point we're just talking to each other. That's nothing final until you have a written agreement that you can submit the final order to the court and finish this. This should come as no surprise to anyone that we've been working to get an agreement. To put this behind us, to go back and forth with just resolutions it's not a waste of time but it's certainly not the end product. We've got to sit down, have 4 or 5-page agreement, have all the three boards vote on it in open session so we know where we stand and we move on to the next chapter. Every day that we don't do something that's \$1700.00. Every day that we don't do something that's \$1700.00 when you divide the 85,000 out and we have been doing that since November 2018. It's time to get to the bottom line and get a deal so that's what I want, that's what I advocate for and quite frankly I don't think we are that far apart. It's time to close the thing to do it.

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III. DISCUSSION OF POTENTIAL FUNDING LOSS OF FY21 BUDGET

Mrs. Robinson: Last Wednesday we met and learned of the 600,000 reduction in local appropriations you requested that we begin to consider possible options to address the budget deficit but the additional loss in state funds which was a total amount of \$998,395. A couple of you have made suggestions and we've included those options for your consideration. In just a few moments Mr. Barton will come and present these options to you. First of all, I want to share with you that the school board will not be asked to make any decisions tonight. The goal for tonight's meeting is only to discuss and consider these potential options and their savings. The difficult decisions for the school board will come in the next couple of weeks but for the record, I would just like to make some comments regarding this process. One common thing that we've heard from the former members of the Board of Supervisors and from the newly elected members during their election campaign was their unwavering support of the three elementary school model, again and again, we heard that the county should and would support the three school model. But these budget cuts of \$1.1 million from last year this is certainly not a reality today but certainly, a myth. Since last year the school division budget has decreased \$1.1 million. Actions speak louder than words and the words of the Board of Supervisors and the \$600,000 reduction in the budget are very clear. They cannot they will not support the three elementary schools. When we began the budget process in November 2019 our goal was to be good stewards of the local appropriations. With the support the Board of Supervisors had given us last year in the revision of the salary scales for the first time in 10 years, our local requests which you approved in March 2020 was 6.5 million for \$500,000 less than last year. As you know since March 2020 the school division has requested to meet with the Board of Supervisors on numerous occasions to discuss the FY 21 budget. In April 2020 we received notification that the state budget was cut \$398,000 due to COVID- 19 we immediately informed the Board of Supervisors of the state budget cuts and that the local appropriations request would not be increased to meet the state budget deficit. Again we sincerely wanted to demonstrate good faith efforts to the work of the Board of Supervisors and to address the budget shortfall. When we again requested a meeting we received an email from the County Administrator on April 22nd stating that the budget process is ongoing and the appropriation request the division made for 6.5 million was the same. It wasn't until May 11 that we were informed that the \$600,000 budget cut. I wish I had the words to tell you but this news is devastating. It's devastating to you, it's devastating to our staff and it's devastating to our school division. To be informed three weeks before the end of school and during the COVID-19 crisis that the school divisions and local budget deficit in the state budget cut of nearly \$1 million are just really surreal. Before the Board of Supervisors meeting last night I was hopeful, we had heard that there appeared to be support for an additional \$200,000. We had calculated that if we received any additional funding from the Board of Supervisors such as \$200,000 we could tighten up our spending between now and June 30th to carry over additional funds into next year. Some of the difficult decisions that were going to have to be discussing today would not be considered. I attended the Board of Supervisors meeting and I spoke during public comment requesting additional funding and shared with them the \$1.2 million Cares Act funding that the county is receiving and how it may assist the Board of Supervisors in funding additional funding for the school division. Specifically the areas of technology, infrastructure, the purchase of devices, and perhaps professional development cost to

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train our staff and faculty for virtual learning for the school division. The guidelines for the school expenditures are stringent and the money has to be expended by December 31, 2020. Instead of a reimbursable process which the school boards have the Board of Supervisors will receive \$600,000 in June and additional funding \$600,000 later in the year. We offered to assist the county in any possible way that we could. During the meeting, the county administrator informed the Board of Supervisors that they had three pots of available funding. One was the discretionary fund of approximately 2.5 to \$3 million from these \$5.5 million discussed in late 2019 in the Dickinson Star by the county administrator. An insurance fund of \$800,000 that has \$300,000 available funds and the debt service to the judicial center which has an annual payment for the next 20+ years. The treasurer reported the real estate expected taxes due on June 5, 2020, were stronger than anticipated and they felt that the country's contributing factor may be the stimulus checks that our citizens had received. At the end of the meeting, the Board of Supervisors had taken no action to reconsider the school appropriations. The options Mr. Barton will discuss with you are very difficult. They are not my recommendations but possible recommendation options for the board to consider. One one of the options is the closure of Ervinton Elementary School, another option is increasing health insurance premiums for our employees, and the removal of the 1% salary step increase. On a personal note, any of these options considerations are difficult because we know from prior budget years that our children are the ones that are significantly impacted. When our staff loses their jobs, a series of domino changes will need to take place affecting many. Any consideration of these options during the COVID - 19 appears to be more focused, more significant and so much more hurtful. When there is so much unknown in heightening anxiety for our students whose lives have been so disrupted, our families, and our staff, any consideration of these options appears to be unnecessary.

Mr. Barton: Potential Budget Cuts Presentation: (Page 5)

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Dickenson County Public Schools Budget FY-21 Potential Budget Cuts

Description	Amount	Positions Reduced - Attrition	Positions Reduced - Reduction in Force
State Budget Cut	-\$398,305		
Local Budget Cut	-\$600,000		
Total Cut to Revenues from Budget Approved on 3/25/20:	-\$998,305		
Carryover Funds from FY-20 (Estimated)	\$151,000		
Add additional cost of unemployment to FY-21 Budget	-\$45,000		
Other Net Reductions to FY-21 Budget	\$30,217		
Remove Additional 1% Raise	\$155,905		
Remove Additional Funding Added for Coaching Scale Revision	\$22,000		
Net Savings from Teacher Retirement 1	\$9,822		
Savings for change in Min Wage effective date to 5/1/21	\$34,935		
Amount Budget Needs to be Reduced By:	-\$639,426		
Board Recommended Options:			
Remove Salary Step for FY-21	\$165,259		
Reduce Number of Coaching Positions	\$25,908		
30% Increase in Employee Health Ins Premiums *	\$86,040		
Move Bus Drivers to Employee Only Insurance	\$281,160		
Eliminate Purchase of 1 Bus	\$95,000		
Other Considerations:			
Close Ervinton Elementary School	\$576,556	2 FT	4 FT, 6 PT
Consolidate Existing Bus Run Due to Retirement	\$50,398	1 FT	
Consolidate Existing Bus Run	\$30,627		1 FT
Eliminate 8 Part-Time Aides at Elementary Schools	\$65,882		8 PT

* Increase Single by \$15/mo, Employee / one child by \$20/mo, Family by \$30/mo

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IV. CLOSED SESSION: I move that pursuant to Virginia Code section 2.2 371 (A) (7) we convene a closed meeting to consult with legal counsel and receive briefings by staff members pertaining to actual litigation with the Board of Supervisors and IDA regarding the location of the proposed new elementary school.

Following a motion by Dr. Lurton Lyle and a second by Rick Mullins, the Board convened in a closed session.

Vote results

Aye:	5	Dr. Lurton Lyle, Rick Mullins, Jason Hicks, Damon Rasnick, Jamie Hackney
No:	0	
Abstain:	0	
Not Cast:	0	

Following a motion by Rick Mullins and a second by Jamie Hackney; the board returned to open session.

Vote results

Aye:	5	Dr. Lurton Lyle, Rick Mullins, Jason Hicks, Damon Rasnick, Jamie Hackney
No:	0	
Abstain:	0	
Not Cast:	0	

Pursuant to Section 2.2-3712(a) of the Code of Virginia, I move to certify and second by Rick Mullins; that during the closed meeting just concluded the Dickenson County School Board discussed only matters lawfully exempt from the open meeting requirements under Section 2.2-3711 of the Code and identified in the motion convening the closed meeting.

Certification of Closed Session

Aye:	5	Dr. Lurton Lyle, Rick Mullins, Jason Hicks, Damon Rasnick, Jamie Hackney
No:	0	
Abstain:	0	
Not Cast:	0	

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V. BOARD ACTION:

Following a motion by Rick Mullins and second by Jason Hicks the motion that we request the Board of Supervisors review the Elementary School Development Agreement that we approved at the last meeting and let our attorneys know if there is a problem with the language of that agreement and if not that they approve that agreement passed with a 5-0 vote.

Vote results

Aye:	5	Dr. Lurton Lyle, Rick Mullins, Jason Hicks, Damon Rasnick, Jamie Hackney
No:	0	
Abstain:	0	
Not Cast:	0	

VI. ADJOURNMENT: 7:14

Following a motion by Dr. Lurton Lyle and second, by Damon Rasnick the meeting was adjourned. All votes aye.

Dr. Lurton Lyle

Dr. Lurton Lyle

Approved: June 24, 2020

Tonya Baker

Tonya Baker, Clerk

