

## October 22, 2015

The regular meeting of the Giles County School Board was held on October 22, 2015 at 7:00 p.m. in the School Administration Office Building Conference Room. No closed meeting was held. Persons present were:

E.G. Gentry  
J. M. Gollehon, Jr.  
J.L. Webb, Jr., Chairman  
R.B. Whitehead  
Drema K. McMahan

Dr. Terry E. Arbogast II, Superintendent  
Amanda J. Tickle, Clerk

The meeting was called to order by the Chairman.

### APPROVAL OF AGENDA

The Board, on motion of Mr. Whitehead, with second by Mr. Gentry and unanimous voting, approved the Superintendent's October 22, 2015 School Board Meeting Agenda.

### PUBLIC COMMENTS

There were no public comments.

### SPECIAL PRESENTATIONS

On behalf of the Professional Advisory Council, the following were recognized for their Outstanding Efforts and Continued Support: Maintenance/Custodian Workers, Clara Whittaker – MMS, Kay Jennings – MMS, Jessie Lowry – MMS, Officer Mark Wilburn – GCSO, Officer Tootie Gillespie – GCSO, Carolyn Ballard – GHS, Leslie Hale – NHS.

### EDUCATIONAL FEATURE

On behalf of the educational feature, Sheriff Millirons, Officer Billos, Officer Wilburn and Officer Vaughn attended on behalf of the Giles County Sheriff's Office. They talked to the School Board about a few things going on this year. As information, they have finished up another RAD group at Giles High School. There have been about 500 students in Giles County who have received this training. Sheriff Millirons stated that Officer Neice was not able to be here, but stated that he has been doing internet safety at Eastern. He also discussed the abuse of texting/sexting. Officer Neice is also teaching anti-bullying, 911/fire safety, stranger awareness, DARE, Virginia law, etc. Officer Wilburn discussed the tobacco issue and prevention. He also discussed the mental issues with students in the high school. He stated that individuals in the high school are very good to help these students. Officer Vaughn stated that he also teaches 6<sup>th</sup>/7<sup>th</sup> graders internet safety. He also discussed lockdowns and ways to make the school more secure by getting new classroom doors at Macy McClougherty. Officer Billos stated that he teaches students about 911, how to tell good guys from bad guys, kids' safety, Virginia laws, etc.

### APPROVAL OF CONSENT ITEMS

The Board, on motion of Mrs. McMahan, with second by Mr. Gentry and unanimous voting, accepted the Superintendent's recommendation to approve the following consent items:

#### A. Meeting Minutes

1. Regular – September 17, 2015

#### B. Financial Data

1. Payrolls to include September 30<sup>th</sup> and October 15<sup>th</sup>, 2015
2. Payment of Bills to include September 18<sup>th</sup>, 25<sup>th</sup> and October 1<sup>st</sup> and 7<sup>th</sup>, 2015
3. August and September 2015 Revenue and Expenditure Reports
4. 2015-2016 Advisory Committees
5. 2015-2016 Field Trip Requests
6. Confirmation of Surplus Items
7. Appropriation Request for November 2015  
TO: Christopher McKlarney  
Interim Administrator for Giles County  
RE: November 2015 Appropriation

The following is the appropriation request for the month of November 2015. This is for the fifth month of the fiscal year 2015-16. I would appreciate the Board's consideration of this request. The request for the operating budget is consistent with the approved operating budget submitted by the School Board.

<b>Original Monthly Appropriation Request:</b>	\$ 2,180,649.00
<b>(Operating + Flow-thru)</b>	
<b>Total:</b>	\$ 2,180,649.00

This request is one-twelfth of the operating budget and includes the anticipated monthly expenditures in the flow-thru account. Our year to date appropriation and expenditures are contained in the monthly summary. If you have questions, please feel free to let me know. Thank you in advance for your assistance.

#### **SUPERINTENDENT'S REPORT**

- A. The Superintendent recommended action and Board approval of the following personnel/contractual items:
1. The School Board, on motion of Mr. Whitehead, with second by Mrs. McMahon and unanimous voting, confirmed the following **Employment:** Sandy Jennings – MMS Special Education Teacher (10/12/15)
  2. The School Board, on motion of Mr. Gentry, with second by Mrs. McMahon and unanimous voting, confirmed the following **Retirement:** Corky Bailey – NHS Assistant (12/1/15)
  3. The School Board, on motion of Mr. Gollehon, with second by Mr. Gentry and unanimous voting, confirmed the following **Volunteer Agreements:** Sharlyn Thacker – EEMS Library Volunteer, Charlie Mullins – GHS Varsity Football, Alvin McGuire – NHS Asst. Girls Basketball
  4. The School Board, on motion of Mr. Whitehead, with second by Mr. Gollehon and unanimous voting, confirmed the following **Athletic Coaching Contract:** Clyde Turner – Ragsdale Field Maintenance (NHS)
  5. The School Board, on motion of Mr. Gollehon, with second by Mr. Gentry and unanimous voting, confirmed the following **Supplemental Contracts:** Larry Greer – NHS MACC Social Studies/Senior Class Sponsor, Sherry Miller – NHS MACC Head Coach/MACC Science Coach, April Hobson – NHS MACC English, Ryan Mason – NHS MACC Math, Josh Sparks – NHS Yearbook/MACC All-Around, Teresa Lowe – NHS SCA
  6. The School Board, on motion of Mr. Whitehead, with second by Mr. Gollehon and unanimous voting, approved the Substitute Teacher list to date.
- B. The School Board, on motion of Mr. Whitehead, with second by Mr. Gentry and unanimous voting, approved Policy Revisions as recommended by VSBA and Administration.
- C. The School Board, on motion of Mr. Gentry, with second by Mrs. McMahon and unanimous voting, approved textbook adoptions as recommended. The Foreign Language Adoption Committee has reviewed and selected Houghton Mifflin Harcourt: Avancemos: Spanish Curriculum for grades 6-12 to submit to the Giles County School Board for approval. A week of public review was held from September 28 - October 2.
- D. The School Board, on motion of Mr. Gentry, with second by Mrs. McMahon and unanimous voting, approved a resolution for refinancing. The Giles County BOS is refinancing some of the county debt and will need to utilize one of the schools as collateral for this loan.

#### **RESOLUTION OF THE SCHOOL BOARD OF GILES COUNTY APPROVING THE LEASE REFINANCING OF CAPITAL IMPROVEMENTS TO COUNTY-OWNED FACILITIES AND RELATED IMPROVEMENTS AND SCHOOL FACILITIES AND AUTHORIZING THE LEASING OF SCHOOL FACILITIES, THE EXECUTION AND DELIVERY OF A PRIME LEASE AND A LOCAL ACQUISITION AND FINANCING LEASE, AND OTHER RELATED ACTIONS**

The Board of Supervisors of Giles County, Virginia (the "Board") has determined that it is in the best interest of Giles County, Virginia (the "County") (a) to prepay certain bonds of the Industrial Development Authority of Giles County, Virginia (the "IDA"), the proceeds of which bonds were issued to pay the costs of capital improvements to the Giles County Technology Center and Eastern Elementary School and (b) to refinance a portion of the County's obligations under the Local Lease Acquisition Agreement and Financing Lease dated as of October 25, 2012 (the "2012 Lease") among Virginia Resources Authority ("VRA"), the County and the School Board of the County (the "School Board"), the proceeds of which lease were used to finance and refinance capital improvements to courthouse, public-school and water-system facilities in the County.

Virginia Resources Authority (the "VRA") has indicated its willingness to issue its Fall Series 2015 VRA Bonds (as more particularly defined in the "Tax-Exempt Financing Lease" and "Taxable Financing Lease," defined below, the "VRA Bonds") and to provide a portion of the

proceeds thereof, in an amount not less than the “Proceeds Requested,” as defined in this resolution, to the County for the purposes described in (a) and (b) above and to pay certain related costs, in accordance with the terms of the “Financing Leases,” defined below.

As used in this resolution, “Financing Lease” means a Local Lease Acquisition Agreement and Financing Lease, dated as of September 25, 2015, or another date to be specified by VRA, between VRA, the School Board of the County (the “School Board”) and the County.

VRA has advised the County that the sale date of the VRA Bonds is tentatively scheduled for November 4, 2015, but may occur, subject to market conditions, at any time between November 1 and December 15, 2015, and that VRA’s objective is to pay the County a purchase price for the Financing Lease which, in VRA’s judgment, reflects its market value (the “Purchase Price Objective”), taking into consideration such factors as the purchase price received by VRA for the VRA Bonds, the underwriters’ discount and other issuance costs of the VRA Bonds, and other market conditions relating to the sale of the VRA Bonds.

Such factors may result in the County receiving an amount other than the par amount of the aggregate principal components of the rental payments under the Financing Lease and consequently the aggregate principal components of the rental payments under the Financing Lease may be greater than the Proceeds Requested in order for the County to receive an amount of proceeds that is not less than the Proceeds Requested.

VRA will make the Proceeds Requested available to the County upon certain terms and conditions, and the Board has determined to satisfy those terms and conditions, all in accordance with the following (the “Financing Documents”):

- (i) a Prime Lease whereby the School Board and the County will lease the “Real Property,” defined below, to VRA (the “Prime Lease”); and
- (iii) the Financing Lease whereby VRA will lease the Real Property to the School Board and the County and the County will make rental payments to VRA;

forms of which documents have been presented to the School Board at this meeting and filed with the School Board’s records.

THEREFORE, BE IT RESOLVED BY THE SCHOOL BOARD OF GILES COUNTY:

1. Incorporation of Recitals. The recitals above are found and determined to be a part of this resolution.
2. Definitions. Whenever used in this resolution, unless a different meaning clearly appears from the context:

“Maximum Par Amount” shall mean \$7,365,000.

“Proceeds Requested” shall mean an amount sufficient to prepay the Refunded Obligations and pay costs of issuance of the Financing Lease, or such other amount requested by the County in writing and approved by VRA before pricing of the VRA Bonds.

“Real Property” shall mean the School Board’s real estate located at 1825 Wenonah Avenue, Pearisburg, Virginia, and all improvements constituting Giles High School located on such real estate, as more particularly described in the Prime Lease.

“Refunded Obligations” shall have the meaning given such term in Section 3 of this resolution.

3. Prepayment. It is found to be in the best interests of the School Board for the County to prepay all or a portion of the Refunded Obligations, in order to refinance the costs of the capital improvements financed by the Refunded Obligations, subject to the terms and conditions of this resolution. Such prepayment (the “Refunding”) shall be made with a portion of the proceeds derived by the County pursuant to the Financing Lease. For purposes of this resolution, “Refunded Obligations” shall mean all or any portion of (a) the IDA’s \$3,110,000 Public Facilities Lease Revenue Bond, Series 2008A (the “Series 2008A Bond”) and (b) the principal portions of rent under the 2012 Lease coming due on October 1 in the years 2016 through 2019, in the aggregate amount of \$3,965,000, and interest thereon, as determined by the Chairman or Vice Chairman of the Board of Supervisors, each of whom has been authorized to determine whether all or a portion, and if only a portion, then which portion, of such obligations will actually be refunded with proceeds of the Bond, and such determined amount shall be the Refunded Obligations for purposes of this resolution

4. Approval of Lease-Leaseback Arrangement. The lease-leaseback arrangement with VRA to accomplish the Refunding is approved.

5. Approval of Prime Lease. The leasing of the Real Property by the School Board and the County, as lessor, to VRA, as lessee, pursuant to the terms of the Prime Lease is approved.

6. Approval of the Financing Lease. The leasing of the Real Property by VRA, as lessor, to the School Board and the County, as lessee, pursuant to the terms of the Financing Leases is approved.

7. Approval of the Terms of the Rental Payments.

The Rental Payments set forth in the Financing Lease shall be composed of principal and interest components and shall result in an aggregate net present value savings in debt service of at least 3.00% of the principal amount, if any, of the Series 2008A Bond refunded by the Financing Lease, computed by using as the discount rate the true interest cost of the Financing Lease allocable to such refunding and (b) a stated interest under the Financing Lease not greater than 4.50% per annum (exclusive of “Supplemental Interest,” as defined in the Financing Lease), with a final maturity of rental payments of not later than December 31, 2049.

The principal components of the Rental Payments under the Financing Lease shall reflect an original principal amount not to exceed the Maximum Par Amount.

It is determined to be in the best interest of the School Board for the County to accept the offer of VRA to enter into the Financing Lease with the School Board and the County, subject to the terms and conditions set forth in this Resolution, which Financing Lease shall be executed by the Chairman of the School Board (the “Chairman”) and the Division Superintendent, or either of them. Given the VRA Purchase Price Objective and market conditions, it may become necessary to enter into the Financing Lease with aggregate principal components of the Rental Payments greater than the Proceeds Requested.

The actions of the Chairman and the Division Superintendent, or either of them, in accepting the final terms of the Rental Payments shall be conclusive, and no further action shall be necessary on the part of the School Board.

8. Essentiality of the Real Property. The Real Property is found, determined and declared to be essential to the efficient operation of the School Board, and the School Board anticipates that the Real Property will continue to be essential to the operation of the School Board during the term of the Financing Lease.

9. Rental Payments Subject to Appropriation. The School Board acknowledges that the County’s obligation to make the Rental Payments and all other payments pursuant to the Financing Lease is subject to annual appropriation therefor by the Board of Supervisors, and nothing in this resolution or the Financing Documents shall constitute a pledge of the full faith and credit or taxing power of the County or compel the Board of Supervisors to make any such appropriation.

10. Authorization of Financing Documents and Other Matters. The forms of the Financing Documents have been presented to the School Board at this meeting and are approved. Either of the Chairman or Division Superintendent is authorized to execute and deliver on behalf of the School Board the Financing Documents in substantially the forms submitted to the School Board, with such changes, insertions or omissions as may be approved by the officer executing them, whose approval shall be evidenced conclusively by the execution and delivery of the Financing Documents. The Chairman, Division Superintendent and any other officer of the School Board are authorized to execute and deliver on behalf of the School Board such other instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this resolution or contemplated by the Financing Documents, and all of the foregoing, previously done or performed by such officers of the School Board, are in all respects approved, ratified and confirmed.

11. Tax Documents. The Division Superintendent and the Chairman, either of whom may act, is authorized to execute a Nonarbitrage Certificate and Tax Compliance Agreement and/or any related document (the “Tax Documents”) setting forth the expected use and investment of the proceeds of the VRA Bonds to be received by the County pursuant to the Financing Documents and containing such covenants as may be necessary in order for the County, the School Board and/or VRA to comply with the provisions of the Internal Revenue Code of 1986, as amended (the “Tax Code”), with respect to the VRA Bonds and the Financing Documents, including the provisions of Section 148 of the Tax Code and applicable regulations relating to “arbitrage bonds.”

12. Other Actions. All other actions of the officers of the School Board in conformity with the purpose and intent of this Resolution are hereby approved, ratified and confirmed. The officers of the School Board are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the actions contemplated by this Resolution or the execution and delivery of the Financing Documents.

13. Authority of Officers and Agents. The officers and agents of the School Board shall do all acts and things required of them by this resolution and the Financing Documents for the complete and punctual performance of all the terms, covenants and agreements contained therein.

14. Limitation of Rights. Nothing expressed or mentioned in or to be implied from this resolution or the Financing Lease is intended or shall be construed to give to any person or company other than the parties to the Financing Lease any legal or equitable right, remedy or claim under or in respect to this resolution or any covenants, conditions and agreements herein contained; this resolution and all of the covenants, conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of such parties.

15. Limitation of Liability of Officials of School Board. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of a present or future member, officer, employee or agent of the School Board in his individual capacity, and neither the members of the School Board nor any officer thereof executing the Financing Documents shall be liable personally on the Financing Documents or be subject to any personal liability or accountability by reason of their execution. No member, officer, employee or agent of the School Board shall incur any personal liability with respect to any other action taken by him pursuant to this resolution or the Act, provided he acts in good faith.

16. Headings. Any headings in this resolution are solely for convenience of reference and shall not constitute a part of the resolution nor shall they affect its meaning, construction or effect.

17. Effective Date. This resolution shall take effect immediately.

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The undersigned Clerk of the School Board of Giles County, Virginia, hereby certifies that (a) the foregoing constitutes a true, complete and correct copy of a resolution adopted on October 22, 2015, by the School Board at a regular meeting, and (b) during the consideration of the foregoing resolution, a quorum was present. I hereby further certify that the minutes of such meeting reflect how each member of the School Board voted with respect to the adoption of the foregoing resolution as follows:

<u>Member</u>	<u>Vote</u>
Drema K. McMahan	YAY
Eric G. Gentry	YAY
Ronald B. Whitehead	YAY
Joseph M. Gollehon, Jr.	YAY
J. Lewis Webb, Jr.	YAY

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 Clerk, School Board of Giles County, Virginia

**COMMENTS/CONCERNS**

Mr. Gollehon stated that the budget meetings have been good and productive so far.

Mr. Gollehon stated that it has been a big help to have School Resource Officers in our schools.

Mr. Whitehead updated the School Board on some information regarding the Southwest Virginia Governor’s School. He stated that recently, Krista Stith, who teaches Anatomy & Physiology, Environmental Sciences, and Biotechnology at the Southwest Virginia Governor’s School has applied for and received three grants:

- 2015 Russ Wayland Mini-Grant for Teachers sponsored by the American Institute of Professional Geologists- \$1,000
- 2015 Mini-Grant for Teaching sponsored by the Virginia Association of Science Teachers- \$1,000
- Agriculture in the Classroom mini-grant sponsored by the Virginia Foundation for Agriculture in the Classroom- \$500

These grants are awarded in support of work involving authentic STEM practices for high school students.

Mrs. McMahan stated that she attended the GEA Rally at the courthouse and really enjoyed it. There were great speakers, including Dr. Webb.

Mrs. McMahan thanked all those who donated their time at the Reality Store.

Mrs. McMahan thanked the Tech Center for the Career and Technical Education report.

Mrs. McMahon congratulated Heidi Sizemore as the Region VI new teacher of the year.

Mr. Gentry stated that he enjoyed the budget meetings this morning. There were great discussions!

Mr. Gentry stated that he met with the seniors at the Tech Center about soft skills in the industry. It was a great bunch of seniors.

Mr. Gentry updated the board on STEM (Rick Claus and Christmas Martin). There are two more STEM related grant proposals, both to USDA, for after school and summer camps. One is related to Ag science and the other is related to bee hives.

Dr. Webb stated that he, Dr. Arbogast, Mr. McKlarney and a couple Board of Supervisors members attended a wonderful scholarship luncheon at New River Community College.

Dr. Webb thanked the School Resource Officers for all they do for our schools each and every day.

Dr. Arbogast stated that as of today, our enrollment is 2,401, which is down 16 from September 30<sup>th</sup>.

Dr. Arbogast recognized GHS and NHS for earning the Blue Star School recognition for 2014 W!SE Financial Literacy student achievement through the Economics and Personal Finance classes (Teresa Lowe, Gayle Kirby, Mandy Havens and Meghan Jones).

Dr. Arbogast recognized Melissa Perdue for her work on the GEA Rally.

Dr. Arbogast thanked the community members and Tonya Vaden who helped with the Reality Store.

Dr. Arbogast thanked Sheriff Millirons and the School Resource Officers for their support!

Dr. Arbogast updated the School Board on “the revisions of Accreditation.” He anticipates that 4 schools will be fully accredited, with one school being partially accredited warned school pass rate for English.

Dr. Arbogast stated that Mr. Meade met with a representative from each of the elementary/middle schools to talk about the English/Language Arts grade. Currently, we have a separate grade for Spelling, Reading and Grammar (called Language Arts). They also have a separate grade for Handwriting. The committee asked to combine the Spelling, Reading and Grammar into one grade for Language Arts.

#### IN OTHER ACTION...

The School Board, on motion of Mr. Gentry, with second by Mrs. McMahon and unanimous voting, approved the following **Volunteer Agreements:** Cheryl Hodock – NHS Athletic Gate, Kim Kantsios – NHS Athletic Gate, JoAnn Craven – EEMS Yearbook

The School Board, on motion of Mr. Gentry, with second by Mrs. McMahon and unanimous voting, approved the following **Athletic Coaching Contracts:** Donna Stump – GHS 8<sup>th</sup>/JV Cheerleading, Carolyn Ballard – GHS 8<sup>th</sup>/JV Cheerleading, Jenny Hogan – GHS 8<sup>th</sup> JV Cheerleading

The School Board, on motion of Mr. Gollehon, with second by Mr. Whitehead and unanimous voting, approved the following **Resignation:** Jenny Hogan – GHS Cheerleading Coach (8/25/15)

#### **\*Next School Board Meeting**

The next regular School Board meeting will be held Tuesday, November 24<sup>th</sup> at 4:00 p.m.

The Chairman, on motion of Mr. Whitehead, with second by Mr. Gollehon and unanimous voting, adjourned the meeting.

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Chairman

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Clerk