

NORTHERN TIOGA SCHOOL DISTRICT

110 Ellison Road
Elkland, PA 16920

Minutes – Work Session
April 26, 2021

The Northern Tioga School District Board of Directors met for a work session in the Board Room at 110 Ellison Road, Elkland, PA. The session was called to order by Board President Julie Preston at 6:10 PM.

Board Attendance: Board Members Present: Ed Bonham, Greg Cummings (left at 6:29 pm), Jean Kohut, Jolene Meisner, James Moyer, Kim Strauser, and Julie Preston. Absent: Ian McLaughlin and Jim Neal.

Administrators Present: Superintendent Barnes, Kathy VanSchaick, Jeremy Freeman, Kris Kaufman, Jess Millard, Dan Fie, Amy Coots, Christina Fry, Matt Sottolano and Cheryl Sottolano.

The board convened for an executive session prior to the meeting for legal and personnel issues.

Final Payment to JC Orr and PlanCon Part G

Kathy VanSchaick, Business Manager, shared that the district has been holding \$10,000.00 in payment to contractor JC Orr until all warranty work is completed. The work has been completed and an item will be placed on the May board agenda to vote on issuing the final payment. All payments must be made by June 30, 2021 to continue to qualify for PlanCon reimbursement. Kathy also said that a revised PlanCon Part G that includes board approved additional projects that have been completed, such as the roof replacements at Williamson and Cowanesque Valley High Schools, will be included on the May board agenda as well.

2021/2022 Budget

Kathy VanSchaick shared her 2021/22 proposed budget with the board. Kathy began by reminding the board where the district started off with preparing next year's budget. Last year, approximately \$881,453.00 of unanticipated PlanCon funds and reserves were used to balance the 2020/21 budget with no tax increase. This equates to starting off with a deficit in 2021/22. Adding increases for salaries, health insurance, PSERS, cyber school, VLN, special transportation to Scranton, debt service, athletics, and other updates throughout the budget increased the deficit to approximately \$2,561,398.00. It has been recommended by state agencies to remain level funded using 2020/21 revenues for basic and special education funding for 2021/22. Federal revenues are still unknown at this time and it has been recommended to remain level funded for these as well. Equipment requests for 2021/22 total \$133,864.00 and will be funded by carryover from the 2020/21 budget if there is any. An additional \$61,500.00 in equipment requests were funded by the ESSER II grant.

Kathy shared with the board some items that have impacted the 2021/22 budget. COVID-19 is still affecting all states and school districts. For 2020/21, the district's cyber school cost is over \$1.3 million and the Northern Tioga Academy (NTA) cost is over \$650,000.00. The district will fund \$442,750.00 of NTA costs with the ESSER I grant. The district has also reassigned 2020/21 budgeted funds to help cover cyber school costs and used ESSER II funds to cover other budgeted expenses. The remainder of the ESSER funds should not be used for ongoing expenses such as salaries. The district is unsure of the number of students who will return to in-person instruction in the fall so we must budget with current student enrollment.

Kathy shared some ways that the deficit has been decreased. The district absorbed one elementary teacher resignation during the 2020/21 school year. Revenues have been slightly increased for EIT and delinquent tax collections as well as PSERS reimbursement. The assessed tax base has been updated. Current staff and student enrollment information have been updated. These items have reduced the deficit to \$2,128,539.00. Kathy also presented ways that the board could close the deficit. The board could:

- Cut programs/furlough staff
- Raise taxes
- Realign current staff to fill retirements and an elementary long-term sub position. This would create a savings of approximately \$604,000.00.
- Realign current staff to fill a long-term sub position at Cowanesque Valley High School for a savings of approximately \$79,000.00.
- Use the pandemic reserve of \$850,000.00 that was established last year.
- Use the textbook reserve of \$400,000.00. Textbook purchases will be made using ESSER II & III funds.

The deficit could be reduced to \$195,539.00 if the board realigns staff as noted above, uses the pandemic and textbook reserves, and does not raise taxes. If additional resignations are received, the district will review the needs of the position and continue to realign staff where possible. The district will continue to monitor student enrollment over the summer. Kathy also shared the amounts of revenue that possible real estate tax increases could generate as well as the financial impact that the increases could have on homeowners.

Greg Cummings asked if a 2% tax increase would fill the remaining budget deficit. Kathy said it would. Julie Preston and Ed Bonham noted that taxes were not raised last year. Kim Strauser and Jolene Meisner asked if the board could have some time to think about whether they want to increase taxes. Kathy said she can pull the remaining deficit out of unassigned reserves for now. Jean Kohut asked how the district plans to budget for increasing cyber school costs. Dr. Barnes said the cyber school budget will be doubled for the 2021/22 school year. Greg Cummings reminded the board that there are still some needed building improvements that will be coming up in the future.

Greg Cummings left the meeting at this time (6:29 pm).

Kathy asked the board if they would like her to prepare the budget with the noted recommendations to realign staff and use the pandemic and textbook reserves. The remaining deficit will be pulled from unassigned reserves for now. The board agreed and said they will take time to consider a tax increase.

Open Forum

No one from the public wished to address the Board at this time.

The board adjourned the work session at 6:30 PM.

The board convened for an executive session at this time for legal and personnel issues.

Alyson Yerrick
Board Secretary