

NORTHERN TIOGA SCHOOL DISTRICT

110 Ellison Road
Elkland, PA 16920

Minutes – Work Session
April 24, 2023

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 6:00 PM.

Board Attendance: Board Members Present: Greg Cummings, Jean Kohut, James Moyer, Kim Strauser, and Julie Preston. Absent: Ed Bonham, Ben Howe, Jolene Meisner, and Jim Neal.

Administrators Present: Superintendent Barnes, Kathy VanSchaick, Daren Bryant, Cheryl Sottolano, Dan Fie, Christina Fry, and Matt Sottolano. Absent: Kris Kaufman, Jess Millard, and Bill Butterfield.

2023/2024 Budget

Kathy VanSchaick, Business Manager, presented a handout and reviewed information regarding the proposed 2023/2024 Budget. Kathy went over where the District started, mentioning that last year, due to unknown state and federal revenues, the district budgeted 2021/22 allocations and used approximately \$655,000.00 of reserves to balance the 2022/23 budget with a 4% tax increase, which was the first tax increase for the district since 2019/2020.

There were several projects the district was able to schedule and/or complete during the 2022/23 school year, such as:

- ▶ HVAC Project – Scheduled to start Summer 2023
- ▶ Westfield Area Elementary School Domestic Water – completed
- ▶ Cowanesque Valley High School Gang Restroom Renovation – Schedule to start Summer 2023
- ▶ Roof Repair – Clark Wood Elementary/Administration – Currently in progress
- ▶ Entry Door Badge Reader Project – Currently in progress.

Some of the 2023-2024 Budget Expenditures include:

- ▶ Professional Salaries updated
- ▶ Health Insurance updated
- ▶ Cyber School Costs Increased
- ▶ Updating Debt Service, with Capital Reserve to no longer support a portion of bond payment
- ▶ Updating supply accounts, pupil transportation, dental insurance, utilities, school-to-work, student activity accounts, estimate for support contract increase, COBRA, and purchased services, etc.
- ▶ Adding building projects including, sealing of parking lots, pavement repairs, gas train boiler replacement, building automation updates at WAES, and reheat VAV and RTU at Clark Wood,
- ▶ Savings from decrease in PSERS Employer Contribution Rate
- ▶ 2023/24 Equipment Request Total—reviewed by Board in March—will be funded by carryover from 2022/23 budget, if any.
- ▶ 2023/24 Technology Equipment— reviewed by Board in March – will be funded by Technology Reserve.

Some 23/24 Revenues include:

- ▶ No Tax Increase based on February 2023 assessed value. Assessed value has decreased from November 2022.
- ▶ Increasing taxes to the Act 1 Index (6.1%) based on February 2023 assessed value.

- ▶ Increase of Revenues from EIT and Real Estate Collections
- ▶ Increase investment interest
- ▶ Increase retirement reimbursement
- ▶ Increase IDEA Funding
- ▶ Increase Basic Ed and Special Ed Subsidy to 2022/2023 allocations
- ▶ Removing Perkins Funding of \$30,100.00, district is no longer eligible to receive.
- ▶ Current Deficit of \$336,702.00

Considerations for Future Budgets:

- ▶ Assistant Principal Position at RB Walter is currently funded by ARP ESSER grant – 2023/24 is the last year for this funding
- ▶ Third School Psychologist is also currently funded by ARP ESSER grant – 2023/24 is the last year for this funding.
- ▶ PSERS Employer Contribution Rate is anticipated to increase. By 2025/26 the projected rate will surpass the 2022/23 rate of 35.26%
- ▶ Reassessment of taxes in the County go into effect July 1, 2024, which is the 2024/25 budget. Reassessments are required to be revenue neutral.

How to Close the Deficit:

- ▶ Review Programs/Staffing – make recommendations to eliminate or reduce
- ▶ Raise Taxes
 - ▶ Approximate 3.211% increase in taxes to generate \$336,668.00
- ▶ Use reserves to balance the budget
- ▶ Increase anticipated state revenue allocations

Kathy provided a list of examples of 2023/24 Revenue Generation from Possible Real Estate Tax Impacts ranging from the Act 1 Index of 6.1% (1.71 mills) to 1% (0.1920 mills). She also reviewed with the Board some of the median assessed values of these. Kathy reminded the Board the deadline to adopt a Proposed Final Budget is May 08, 2023, with a Final Budget Adoption of June 12, 2023.

After much discussion of a possible tax increase and/or the use of reserves to help balance the budget, as well as the effect of a tax increase to local taxpayers, the Board asked Kathy to create two separate proposed budgets, one to include a 2.0% real estate tax increase, and one to include a 3.211% real estate tax increase.

Open Forum

Bob Goodrich, Osceola, PA

Mr. Goodrich greeted the Board and gave a reminder that he would prefer no tax increase. He also told a personal story about growing up in a poor school district. He thanked the Board Members, the Administration, and the staff for all they do.

The board adjourned the work session at 7:15 PM.

Kelly Sherman
Board Secretary