

SOUTHERN COLUMBIA AREA SCHOOL DISTRICT
800 SOUTHERN DRIVE
CATAWISSA, PA 17820

The March 14, 2011, Board Meeting of the Southern Columbia Area School District Board of Directors convened in the High School Library at 7:33 p.m. with President Michael Yeager in charge of the meeting.

The Pledge of Allegiance was said by all.

President Yeager welcomed everyone, followed by a roll call of Board Members.

BOARD MEMBERS

Charles Porter
Jennifer Shoup (*Absent*)
Eric Stahley

Paul Starr
Richard Steele
David Stellfox

Timothy Vought
Michael Yeager
John Yocum

OTHERS PRESENT

Charles Reh, Superintendent; Daniel Rodgers, Business Manager; Tresa Britch, Board Secretary; Richard J. Roberts, Solicitor; Joseph Shirvinski (*Arrived 8:11 p.m.*), Roger Nunkester, James Becker, Robert Mehalick, Administrators; Timothy George, Supervisor of Buildings and Grounds; district residents and members of the media.

AGENDA HEARING PERIOD

President Yeager announced that Fiscal Items B and G, all Personnel Items, and Policy and Programs Items B, C and D on the agenda would be considered action items. District resident, Florey Guarno, asked if the half-time paraprofessional resignation was one of the positions that would be eliminated. Mr. Rodgers stated that in the proposed budget, it is proposed to eliminate 3.5 equivalent paraprofessionals. At this point in time, they will not be looking at replacing the position in question for the remainder of the year, so it would most likely be one of the positions eliminated.

SUPERINTENDENT'S REPORT

Mr. Reh's report included the following topics:

1.) He announced that High School Librarian, Allison Burrell, received notification from the Central Susquehanna Community Foundation that the district would be a recipient of a \$675.00 grant from the Ben Franklin Trust to support programs in the high school for reluctant and low-level readers.

2.) Mrs. Stone introduced high school student, Nick Cove, who gave a brief vocal presentation from Seussical, and invited all in attendance to attend the musical being presented the following weekend.

3.) Mr. Becker stated that he listened to the song in question that was being played before basketball games and stated that it was a clean version. Mr. Porter stated that he still thinks that allowing the song to be played is not setting a good example.

4.) Mr. Nunkester reported that on March 5th, the Middle School had three teams attend the Odyssey of the Mind competition in Berwick. One 7th grade team; consisting of Aiyona Hayman, Olivia Greene, Kathy Koschoff-Rapkin, Greg Delbo, Lena Becker and Casey Bernhard; took third place. He commended Mrs. Meyer and all of the parents who helped put the set together.

Board Meeting Minutes

March 14, 2011

Page 2

Mr. Porter asked for clarification on the savings that would accrue due to special education changes, and noted that some IEPs require aides. Mr. Mehalick stated that when the district began bringing students back, they had not had those kinds of disabilities before and wanted to ensure that they had the proper support in place to ensure success of the program. He noted that they are now getting a lot more support from special services and relying less on paraprofessionals. Professional development has improved the efficiency and effectiveness of the department. Mr. Porter asked if the district was over-staffed now. Mr. Mehalick stated that there are designated paraprofessionals that are doing lunch duties and serving in the ISS room. They will not be jeopardizing any programs by cutting 2.5 paraprofessionals. The teachers are able to do more with less as a result of professional development. Mr. Stellfox stated that he is very concerned and wants to ensure that the students have what is needed.

COMMITTEE REPORTS

Activities – Paul Starr, Chairperson, reported that they discussed the Athletic Policy Handbook. Mr. Becker will try to send out a draft at the end of March.

Facilities & Services - Dave Stellfox, Chairperson, reported that they met March 7th. They discussed the building project. Twenty-five trees have been removed and forty-nine new trees will be planted. The Clerk of the Works is on site. They discussed the changing of student parking being on hold, the color of the track and the location of the concession stand. From the Priority Projects List, replacing the sewer line and tapping are included in the building project. Only having one well is still a concern. New security cameras were discussed and are on the agenda for approval. A turf management schedule was put together by Mr. George. They need some equipment, which they will try to borrow or rent. They are looking at alternate type flooring for the locker room as it has been an ongoing problem.

Finance - Eric Stahley, Chairperson reported that the committee met March 7th. The first topic of discussion was AESOP system, which is a substitute management computer program. They discussed the RFP for healthcare consultant services. Proposals were received from four companies. Two companies that submitted the lowest proposals will be invited to attend the next Finance meeting to discuss their proposals. The AFSCME union and Teachers union representatives would be invited to attend. They received version four of the preliminary budget. The deficit is down to \$224,000 after roughly \$410,000 in cuts were made since version three. The \$224,000 deficit assumes the district will tax at the 1.8 percent and the \$224,000 is still over and above that amount. A special Board meeting was scheduled for March 24th at 6:00 p.m.

Mr. Porter asked if Mr. Rogers would discuss how the millage for the building project would impact the budget. Mr. Rodgers explained that the intent to pay for the construction project was to commit to .8 mills each year over a three year period to phase in the impact of the building project. The 1.8 percent index allowed by the state translates into .55 mills in one county and .5 mills in another county, which obviously is not enough to support the commitment the district made to the building project. They will need to look at cutting back in other areas to offset the difference. The Governor has made substantial cutbacks in the educational part of the state budget. The proposed deficit is currently down to \$224,000; however that figure is going to change with the impact of some of the things the Governor has driven down to school districts within the last week. Mr. Porter asked about the basic state subsidy. Mr. Rodgers stated that the basic education subsidy actually came in higher than what he had in the budget. It came in \$642,000 less than the previous year; equivalent to that of the 2008-2009 year; however there were cuts in other areas that were not included in the budget. The Governor is proposing to eliminate the Accountability Block Grant, which equates to \$200,000 for the district. He is also looking at

Board Meeting Minutes

March 14, 2011

Page 3

eliminating cyber/charter reimbursement, which equates to approximately \$30,000 for the district. The Special Education subsidy appears to be less than what was budgeted. He noted that they will need to look at making more cuts, and will have more proposals for the Board.

A discussion regarding the Act 1 exceptions ensued. Mr. Porter stated that by applying for exceptions, the district will be asking PDE for permission to tax its residents. Mr. Stellfox stated that they are applying for exceptions for which they are eligible, but it doesn't mean that they need to use any of them. He stated that the conversation was premature until they actually end with the results; then decisions will need to be made. He added that they are still looking to cut back. Mr. Steele stated that it is prudent to open all their options. Mr. Porter stated that they are applying for a special education exception, yet the district has cut \$300,000 in special education costs. The district would be applying for an exception in special education, but would not use it for special education. Mr. Rodgers stated that they did indeed make projected cuts for next year, however the way the formula is driven, it does not take into account the 2011-12 year. It looks at 2009-10 actual data versus 2008-09. He stated that to his knowledge, when they apply for exceptions, it is just stating that a district can raise taxes above the Act 1 index up to the thresholds approved by the state. Mr. Stellfox stated that they need to look at how much has been put into special education. The proposed cut is because the district is doing things better. A large portion is because of bringing the students back.

Mr. Porter asked why they wouldn't apply for a construction exception. Mr. Rodgers stated that to his knowledge, if a district took the exception for increased debt for a construction project, at the end of thirty years in some cases it needs to be paid back. Mr. Rodgers stated that the budget deficit was \$599,000. He was already applying for \$879,000, so there was no need to apply for any additional exceptions. Mr. Stellfox stated that the original deficit was over \$1 million. The first time they came back it was \$634,000 and now they are down to approximately \$300,000. He stated that if the district received from the state what they received last year, they wouldn't need to go beyond the index.

Mr. Porter stated that the average daily membership shows an increase of 62 students from 2008-09 school year to the 2009-10 school year. He asked if something changed. Mr. Rodgers stated that he would look into the difference. Mr. Porter stated that the Act 34 hearing did not show that.

Policy - Rick Steele, Chairperson, reported that the committee met prior to the regular meeting. They discussed Policy 133.1 that relates to behavioral management plans for exceptional students. The revised policy is on the agenda as a discussion item. They were also informed that there are some additional special education policy requirements that they can expect to be addressing in the next few months.

CSIU - Mike Yeager stated that he did not attend the last meeting due to a district Facilities Committee meeting. The preliminary budget is based on estimates as in the past. It is based on programs that people purchase. Mr. Porter questioned the status of the Executive Director search. President Yeager stated that they should make a decision at the March meeting. Mr. Porter asked about the salary range. Mr. Reh stated that he was not aware of the salary range.

Vo-Tech - Eric Stahley reported that the committee met February 16th. The Travel, Marketing and Lodging students were present at the JOC meeting and gave a presentation. They hired replacement assistant football and baseball coaches. They had a second reading on three policies and a first reading on three other policies. They discussed the 2011-2012 operating budget, which is on the agenda for discussion. They approve the 2011-2012 calendar, summer school dates and summer school staff. The Executive Director, Mr. Forsythe, announced that the proficiency goal for the NOCTI tests this year was set at 83 percent. Principal, Mr. Bacher,

Board Meeting Minutes

March 14, 2011

Page 4

reported that the open house went well. They are beginning to start test preparation for the PSSAs and NOCTI tests. That same evening, 74 National Honor Society inductees were having their induction service. Special Education Director, Mr. Dunkelberger, reported that 25 of the special education students visited the Luzerne County Community College to get an idea of what higher education was like. The Long Term Planning Committee met and they discussed a little bit about the future of the Vo-Tech and how to achieve some of the goals they have been discussing over the past several years. They are looking at different types of careers that are very desirable after graduation. They also looked at an increase in membership and potentially an expansion of the building. They decided to go back to the sending districts to see if they would be willing to support increased enrollment and increased tuition. They had an executive session regarding personnel and real estate.

Mr. Reh requested an executive session for personnel reasons following the regular meeting.

Mr. Vought stated that the Governor asked school boards to go back to the two collective bargaining units and ask them to take a one-year pay freeze and noted that it was a potential \$300,000 savings.

ITEMS – TREASURER’S REPORTS

ITEMS – MINUTES/INVOICES

Mr. Stahley questioned the three invoices for fuel from Turkey Hill and asked if that was standard practice. Mr. Rodgers replied negatively, and explained that the district fuel pumps were down for about two days. They had to purchase fuel from Turkey Hill in the interim.

ITEMS – FISCAL

On a motion by Steele and second by Starr, the following items were presented for approval:

- B. To accept the donation of \$4,500 from NRG Controls North, Inc. as a credit toward the purchase of security cameras.
- G. The site, as shown on Exhibit E, for a new concession stand to be constructed by the Football and Cheerleading Boosters (the "Boosters"); provided, however, that following completion of construction of the concession stand, the Boosters shall offer to gift and donate the same to the District and the District shall take action on such offer pursuant to District Policy 702.

The motion carried by unanimous affirmative voice vote.

ITEMS – PERSONNEL

On a motion by Yocum and second by Stellfox, the following items were presented for approval:

- A. To accept the resignation of Michelle Miller from the position of Half-time Paraprofessional effective March 11, 2011. Ms. Miller has been in the position since August 2009.

Board Meeting Minutes

March 14, 2011

Page 5

B. An unpaid Leave for employee #2195AC effective March 8, 2011.

The motion carried by unanimous affirmative voice vote.

ITEMS - POLICY AND PROGRAMS

On a motion by Stellfox and second by Stahley, the following items were presented for approval:

B. Third revision to the 2010-2011 School Year Calendar (per Exhibit G).

C. 2011-2012 School Year Calendar (per Exhibit H).

D. Revised Distinguished Alumnus Award Guidelines (per Exhibit I).

The motion carried by unanimous affirmative voice vote.

BOARD COMMENTS

Mr. Porter stated that the budget shows 1,441 students for 2008-2009 and the figure on the exception form is 1,506. He asked Mr. Rodgers to explain it to him at another time. Mr. Rodgers stated that he would certainly look into it, and added that those figures on the exceptions come right off the child accounting reports that are filed on an annual basis. Mr. Porter stated that the growth in 2009-2010 on actual student population was two students, but on the form it is sixty-two. Mr. Rodgers stated that he needed to keep in mind that on the budget they are projections. Mr. Porter stated they were actual numbers for 2009-2010. Mr. Porter asked why it was Average Daily Membership. Mr. Rodgers stated that Average Daily Membership includes individuals coming into and going out of the district at any time as well, and noted that it might influence those numbers. He stated that he was not sure that will be the answer, but he certainly will look into it.

Mr. Porter questioned the amount of the deficit on the Preliminary Budget when it was passed. Mr. Rodgers replied that the deficit was \$634,000, but there was a procedural item where they had to move most of the deficit into the real estate taxes to show that the need was there and to be able to qualify for applying for the exceptions. Mr. Porter stated that he voted for the preliminary budget as a procedure. He stated that the preliminary budget has a big effect on how they tax the district down the road. He stated that maybe they need to have the preliminary budget reflect more of what the final budget will be. Mr. Rodgers stated that he agrees with that, but noted that some of the information is not available at the time the preliminary budget is passed.

Mr. Porter stated that he asked for information regarding substitutes for professional development over the past three years. Mr. Rodgers stated that the analysis that he had given Mr. Porter relates to absences on an annual basis for the professional staff. He noted that it is a summary of all of the absence codes for which a teacher could actually request. Mr. Rodgers stated that he would provide information for the two previous years. Mr. Porter asked if the bonds were sold privately to RBC Capital Markets. Mr. Rodgers replied that they did not purchase all of them. He noted that all of the bonds did not sell on the date of closing, so RBC was pretty much forced into purchasing the remainder of the bonds and then distributing them at a later date. Mr. Rodgers confirmed that the pricing was set in January, but they actually went to

Board Meeting Minutes

March 14, 2011

Page 6

the public for sale in February. Mr. Porter stated that he would like to have additional information to confirm what actually happened.

RECOGNITION OF THE PUBLIC

District resident, Frank Berger, stated that he has been asking since January for budget information and noted that it was not on the web at this time. He asked what information would be posted on the web. Mr. Rodgers stated that he is willing to post all of the information that the majority of the Board feels is necessary. Mr. Berger also asked for the millage rate formula to be included on the web. Mr. Rodgers agreed to do so. Mr. Berger asked if the Board was aware that the construction exception was taken off the table. Mr. Rodgers stated that prior to applying for the exceptions, he presented at a Finance Committee meeting the exceptions for which he would be applying. He added that the reason the construction exception wasn't applied for was because it wasn't needed. He didn't feel that it was necessary to present to the Board an exception that wasn't needed. Also at the end of the thirty year bond, there would be a negative effect on taxes; therefore he did not think it would be in the district's best interest to apply for that exception.

Mr. Berger asked for clarification from Mr. Mehalick regarding special education teacher caseloads.

District resident, Phil Buehler, stated that the district is applying for exceptions but may not be using them in the respective areas. President Yeager stated that they can opt not to use the exceptions. Mr. Buehler stated that there are a lot of people on fixed incomes. He noted that he has spoken to Representative Masser. He stated that he hasn't heard anything about the upkeep of the existing building. He noted that the Benton School District has invested in an alternate fuel system, which is providing substantial savings, and noted that it would be something to consider.

Mr. Guarno referred to the positions that are being eliminated and not replaced, and two retirements that will be replaced in house. He asked if that means that there are people with enough free time that they could take over another position. President Yeager responded negatively. Mr. Guarno asked for clarification regarding elementary wrestling coaches recently hired. It was confirmed that they were replacement positions. Mr. Guarno stated that last year the district used the Fund balance to balance the budget to avoid referendum. Mr. Rodgers stated that the Board could have applied for exceptions last year, but chose not to. They used \$159,000 from the Fund balance to balance the budget with the intent that revenues would come in above budget and expenditures would be below budget. President Yeager stated that historically, that is what happens. The district spends less and brings in more.

Mr. Guarno asked about the Friday Letter. Solicitor Roberts stated that there is case law that says that the Friday Letter falls under the pre-decisional deliberations exception of the Right to Know law, and that it is not a public record, therefore the public does not have a right to it. He noted that after they talked about it, Mr. Porter indicated that even though the public didn't have a right to it, perhaps it should be voluntarily disseminated. Solicitor Roberts stated that if it is going to be disseminated, the confidential information would need to be redacted. Mr. Guarno stated that Mr. Reh put information regarding Mr. Guarno in the Friday Letter and he should have received a copy. Mr. Reh apologized to Mr. Guarno.

Mr. Buehler asked if anyone had projected the life of the building and asked the general condition of the building. Mr. Stellfox stated that the facilities have been maintained well. There are a few items that need to be addressed, but it is very sound.

District resident, Barb Splitt, asked if the people were asked if they approved the building project or the exceptions. Mr. Stellfox stated that the items are brought up at public meetings so they can be discussed with the Board and the public. Ms. Splitt stated that the board is supposed

Board Meeting Minutes

March 14, 2011

Page 7

to be their voice and she feels the public voice isn't being heard. President Yeager responded that the Board is also the voice of the students. The need to make decisions based on the quality of education. They need to make sure they have a safe, secure appropriate environment for the students.

Mr. Vought stated that they have asked the administrators to do a lot in the last two weeks and they have done a fantastic job. He commended them for the time and effort they have put forth in finding ways to cut the budget. Mr. Stellfox stated that he would never vote to spend more money than the budget indicates is needed.

District resident, Tim Adams, stated that all the teachers do a great job. He noted that many people have lost their jobs or have taken pay cuts. He found it disappointing that when asked to take a one-year pay freeze to help out the community, it seemed like it wasn't an option to be considered, but noted that it may not be how it was meant. Mr. Reh stated that one of the biggest issues among the superintendents in the state of Pennsylvania is the unfair funding of cyber/charter schools. Mr. Adams stated that they can't control that, but they can control what the teachers make. Mr. Reh stated that the Governor requested that the teachers should look at a pay freeze. He said that the teachers could then throw that back to the Governor saying that they would consider a pay freeze, but they as a government should look at issues that are hurting every taxpayer in the state of Pennsylvania.

District resident, Bryant Farrence, stated that he attended the Act 34 hearing. He said that he looked back at all the issues. He stated the lack of transparency by the Board regarding whether the building project went to referendum is taking the voice out of the public. He noted that 250 out of 501 in the state have filed for extensions. He asked that with all the school districts filing for exemptions, if the Board actually thought they were going to get the exemptions. Mr. Porter stated that he thinks there is a misconception in the public. He noted that it is an exception; not an exemption, and that the money isn't coming from the state. By granting an exception it allows a school district to raise its residents' taxes to get the money. Mr. Farrence noted that he does think it is a good step toward avoiding transparency by placing information on the website. President Yeager stated that the building project has been a three or four year process and all of the issues have been discussed at open meetings.

Mr. Porter stated that knowing that the district can't raise what is needed to fund the building project and they can't dedicate millage to funding the bonds and they are getting the exceptions; he then asked Mr. Rodgers how he sees the district trying to dedicate millage to the bond next year. Mr. Rodgers replied that they don't dedicate millage to specific areas or cost centers. They will most likely be facing some of the same challenges next year. They will need to one of three things; raise taxes above the index if the district qualifies for exceptions or go to referendum, cut costs or use the existing Fund balance. A fourth option is to use a combination of all three options.

Mr. Porter stated that he would really like to see how the bonds sold and asked if he could provide that information within the next few days.

Mr. Guarno referred to Mr. Stellfox's earlier comment regarding not raising taxes more than is needed and asked if that wasn't how the track came about, since the building project came in lower than expected. Mr. Stellfox replied that the track was within the building project budget.

President Yeager reminded the Board that there would be an executive session following the regular meeting.

ADJOURNMENT

Board Meeting Minutes

March 14, 2011

Page 8

On a motion by Porter and second by Yocum, the meeting was adjourned at 9:47 p.m. The motion carried by unanimous affirmative voice vote.

Respectfully Submitted,

Tresa J. Britch
Board Secretary