

January 20, 2020

The regular meeting of the South Williamsport Area School Board was called to order at 7:00 PM in the library of the High School by the President, Nathan Miller.

The meeting opened with a Moment of Silence and Pledge to the Flag.

Board Members Present: Bachman, Bowman, Engel, Fiorini, McGinn, Miller and Molino.

Others Present: Mark Stamm – Superintendent, Fred Holland – Solicitor, and Jamie Mowrey – Business Manager.

Visitors: Thomas Deljanovan, Larry Baker, David Lehman, Polly Lehman, Brenda Trimble, John Kropp, Fran Kropp, Melissa Bradley, Josalyn Bradley, Holly Huyck, Casey Lowmiller, Laura Lowmiller, Andy Silverstrim, Vern McKissick – McKissick Associates and Mike Reuther – SunGazette.

SUPERINTENDENT RECOMMENDATIONS

BUDGET PRESENTATION ON REVENUES

Jamie Mowrey, Business Manager, gave a presentation on school district funding. The South Williamsport Area School District receives 42-43% of total revenue from local sources, 54-56% from state sources and 1-2% from federal sources. Federal sources include Title I, Title II and Title IV. State sources include the Basic Instructional Subsidy, Section 1305, Special Education Subsidy, Transportation Subsidy, Building Reimbursement Subsidy (i.e. PLANCON), Health Services, Property Tax Reduction Allocation (i.e. state gambling funds), School Safety and Security Grants, Other Safe Schools Grants, Ready to Learn Block Grant, PA Smart Grant, State Share of FICA and State Share of PSERS. The Basic Instructional Subsidy makes up 31.5% of total revenue or 56.9% of state revenue. These funds are allocated to districts by a formula consisting of 2 parts: a base allocation and a student-weighted distribution. Our share of the base allocation is \$5,773,754 and will remain unchanged under current legislation. The student-weighted distribution is driven out by a formula that consists of the district's student-weighted average daily membership multiplied by its median household income and its local effort capacity index. The total amount of the Student-Weighted Distribution is allocated every year so our share can fluctuate greatly depending on how we compare to other districts throughout the Commonwealth. The Special Education Subsidy, which is 4.4% of total revenue or 8.0% of state revenue, is also driven by a formula. Our share of the base allocation is \$804,886. The student based allocation is distributed based on our special education student population multiplied by the local tax effort factor and our local wealth factor. Once again, our share can fluctuate greatly depending on how we compare to other districts throughout the Commonwealth. The State Share of FICA and PSERS is calculated by categorizing employees in 2 buckets: "Existing" employees and "New" employees as defined by Act 29 of 1994. "Existing" employees are reimbursed at 50% and "New" employees are reimbursed at the greater of 50% or the district's Market Value/Personal Income Aid Ratio. Our MV/PI ratio typically falls between 65-66%. Local sources include real estate taxes, public utility realty taxes, payments in lieu of taxes, earned income taxes, real estate transfer taxes, delinquent real estate taxes, earnings on investments, athletic event admissions, IDEA funding, facility rental fees, private donations from the South Williamsport Area School District Education Foundation, tuition, receipts from other LEAs, energy incentive rebate and miscellaneous revenues. Real estate taxes are 26.9% of total revenue or 63.4% of local revenue. 1 mill = \$1 of tax for every \$1,000 of assessed value. Our taxable assessed values have risen through 2018/19; plateaued in 2019/20 and are showing a decrease for 2020/21. The millage rate for 2019/20 was 16.78 mills. Earned income tax is 11.2% of total revenue or 26.4% of local revenue. We receive 1.1% on the earned income of residents.

Jamie Mowrey then presented a preliminary copy of the budget for the 2020/2021 school year. In the preliminary budget, real estate tax revenue was decreased due to the drop in taxable assessed values and other revenues were adjusted based on a historical review of funds received. Expenses were adjusted based on estimated wage increases and employee benefits were adjusted for the increase in the

PSERS rates and the anticipated increase in health insurance expenses. This resulted in a deficit budget of \$293,939 which would drop fund balance down to \$523,168. The budget process is ongoing and adjusted figures will be presented to the school board at a future date.

BUILDING PROJECT – NEXT STEPS

Vern McKissick from McKissick Associates gave a presentation on the next steps for a building project. A building project has 4 phases: Groundwork, Design, Construction and Closeout. Under Groundwork, a feasibility study is conducted. Then, a Building Advisory Team (BAT) is established. The BAT team will consist of administration, key staff, Board members and outside stakeholders. The BAT team will assist with planning and building program development that helps further define needs in detail and refine cost and budget alignment. This is where the district will analyze open questions remaining unresolved at the end of the feasibility study and identify any new items raised by end users which results in a schematic design. This is typically completed within a 10-12 week period. Design development then begins which includes cost checks, program test fits & scope adjustments, system selection, construction type & materials selection, and detail drawings with full scope definition. Design development typically takes 16-20 weeks. This phase represents 15% of the total effort of the Architect & Engineering Team. Based on the adopted option, the total initial investment will be \$239,400. This fee is credited toward the respective design fees of each project when they proceed. After the final design and estimated cost are approved, the district will be able to move onto the construction phase where the project is bid out and the project begins. Under the construction and the closeout phases, there are weekly job conferences, change orders are processed as needed. When construction is complete, there will be a review of maintenance and operations procedures and a warranty period of 12 months following the completion of the project.

A motion to hire McKissick Associates to perform the design phase of the project was moved by Fiorini, seconded by McGinn. Roll call: Bachman-yes, Bowman-yes, Engel-yes, Fiorini-yes, McGinn-yes, Miller-yes, Molino-yes, motion carried.

EMPLOYMENT

A motion to approve Jean Cohick as a certified substitute teacher was moved by Bachman, seconded by Engel. Roll call: Bachman-yes, Bowman-yes, Engel-yes, Fiorini-yes, McGinn-yes, Miller-yes, Molino-yes, motion carried.

COURTESY TO THE FLOOR

The following topics were discussed by the following individuals:

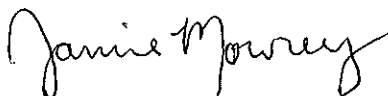
Michelle Finn – Architect that performed the last project
Andy Silverstrim – building project
John Kropp – building project
Casey Lowmiller – building project and real estate tax increases
Tom Deljanovan – building project
Melissa Bradley – payments in lieu of taxes and nontaxable properties

EXECUTIVE SESSION

There will be an executive session immediately following the board meeting regarding legal matters. No action will result from this meeting.

A motion to adjourn the meeting was made by Bachman, seconded by Engel. All members present voting yes, the meeting was adjourned at 8:51 PM.

Attest



Jamie Mowrey
Board Secretary