

WARREN COUNTY SCHOOL DISTRICT
BOARD OF SCHOOL DIRECTORS
SPECIAL MEETING MINUTES

MONDAY, JANUARY 16, 2012

1. Opening Activities

1.1 Call to Order

The special meeting of the Warren County School District Board of School Directors was called to order by Mr. Stewart, President, at 7:00 p.m. in the Board Room of the Warren County Career Center, 347 East Fifth Avenue, Warren, Pennsylvania.

1.2 Pledge of Allegiance

Mr. Stewart led the Pledge of Allegiance to the American flag.

1.3 Roll Call

Present:

Mr. John Grant
Mr. Thomas Knapp
Ms. Nancy McDanel
Ms. Mary Anne Paris
Mr. Arthur Stewart

Mr. Jack Werner
Dr. Paul Yourchisin
Mr. Michael Zamborik
Mrs. Donna Zariczny

Roll Call

Others Present:

Mr. Brandon Hufnagel, Superintendent; Mrs. Amy Stewart, Director of Instructional Technology/Communications; Mrs. Amanda Hetrick, Director of Secondary Education; Dr. Norbert Kennerknecht, Director of Buildings & Grounds Services; Mrs. Diane Martin, Director of Special Education; Mr. Chris Byham, Solicitor; Mrs. Ruth Huck, Board Secretary; Mr. Brian Ferry, Times Observer; Mr. Michael Kiehl, Transportation/Purchasing Manager; Mr. Paul Leach, Technology Information Specialist; Mr. Derrick Moore, Technology/Information Systems Specialist; Mr. James Miller, Supervisor of District-wide Athletics & Co-Curricular Activities; Mrs. Barbara Cook, Supervisor of Business Information Management; Mr. Matt Jones, Coordinator of Grants & Foundation Development; Mr. Jeff Flickner, Principal; Marcia Madigan, Principal; Mr. James Young, Principal; Ms. Claudia Solinko, WCEA President; and approximately 10 unidentified members of the audience.

1.4 Reading of the Mission Statement - Mr. Zamborik

The mission of the Warren County School District, where today's student is our future, is to equip all students with the educational skills necessary to achieve their unique personal potential.

1.5 Reading of the WCSD/PSBA Standards for Effective School Governance and Code of Conduct - Mrs. Zariczny

We, as members of our local board of education, representing all the residents of our school district, believe that:

Boards of school directors share responsibility for ensuring a thorough and efficient system of public education as required by the Pennsylvania Constitution.

Accordingly, school boards must balance their responsibility to provide educational programs with the need to be effective stewards of public resources.

1.6 Public Comment

Kimberly Angove	Russell, PA	Mrs. Angove stated that she recognizes the difficult task the Board faces with the budget issues. She has heard a lot of comments to the effect that Warren County School District is broken, but she does not agree that it is an accurate statement. Many students have graduated from the WCSD and gone on to do amazing things because of phenomenal teachers, administrators, staff members and parents who care. Mrs. Angove observed that a more accurate description is that the district is stuck, and it is fractured in a 20-year vortex of bickering, fighting, pointing fingers, and regionalism. She would like the district to move past that and stop doing the same things over and over and hoping for different results. She asked that the nine Board members do what is best for the Warren County School District's 5,000 students, employees and taxpayers and set an example of loyalty and doing what is best for everyone. Likewise, she asked staff to show loyalty, set aside its own interests and take a pay freeze in the best interest of everyone involved.
Magda Fanaritis	Warren, PA	Mrs. Fanaritis stated that she reads the paper every day and cringes because minorities are telling the majority what they must do instead of the majority taking the lead. She observed that the educational system is being mutilated to keep buildings open. There is too much paperwork. At one time the district offered five languages. French was taught in elementary school. Mrs. Fanaritis is concerned with the average students who are falling through the cracks with decreased opportunities to learn. She told the Board members that they need to make realistic, honest decisions. Mrs. Fanaritis urged the Board members to put aside what

		they think people want and do what is necessary. The school system affects jobs and people wanting to move to the community.
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2. New Business

2.1 Budget Deliberation

Mr. Stewart asked the Board to waive Robert's Rules of Order by common consent in order to hear and discuss a budget presentation from administration. The Board members agreed.

Mr. Hufnagel took the opportunity first to introduce Mr. Jim Young who will be serving as the Acting Director of the Warren County Career Center filling the position of Delores Berry until the end of the year.

As he began his presentation, Mr. Hufnagel stated that a few weeks ago he presented a balanced budget to the Board, but that it would have some devastating affects to the quality of education in Warren County. As an educator he could not support that budget but he would be asking each member to approve it. The preliminary budget is not a final product, but a beginning to look at ways to balance the budget. He acknowledged the cuts are deep and disturbing, including supplies, materials, and staffing.

The presentation included a look at budgeted revenues of \$65,783,293; the maximum millage increase allowed under Act 1 without a referendum which is 1.224. The millage needed to balance the budget without cuts would be approximately 13 mills.

Revenues come through local taxes - \$25,915,691; state revenues - \$36,474,156; and federal revenues - \$3,393,446.

Expenditures are well over the revenues, and there is a deficit of \$5,112,247. Things that contribute to the deficit are contractual obligations and declining revenue base.

A concern that Mr. Hufnagel shared is the declining fund balance. The preliminary budget projects the use of \$500,000 to \$600,000 from the fund balance to balance the budget leaving less than \$1,000,000 in the fund for 2013.

Mr. Hufnagel stated that one way to reduce costs would be through a salary freeze which would reduce costs as follows: Certificated - \$1,208,925.25; Support - \$193,618.97; Act 93 - \$66,812.38; Administrative Support - \$20,088.21; Long-term Subs - \$12,254.97 for a total of \$1,501,799.78.

Tier 1, 2 and 3 wage cuts were discussed. Tier 1 will realize savings through attrition (retirements and resignation) that will not be replaced and furloughed positions that will not be replaced. (See attachments for details.) Impacts include that guidance services will be reduced, AP Classes will be reduced, elective courses will be reduced, foreign language will be reduced to two languages, class sizes will increase, music courses would be limited to the high schools, and library services would have to change across the district with a reduction in staff.

The approval of a charter school will also impact the district. Forty-one positions will be eliminated to accommodate the charter school if it is approved.

In addition, there are other reductions include eliminating the purchase of new textbooks, reducing capital projects and maintenance, reducing health care payments to consortium, reducing building supply budgets, reducing spaces at Beacon Light by 10, reducing district copiers, considering reduction in tuition reimbursement, reconfiguring the special education department.

Mr. Byham stated that referendum exceptions must be submitted by February 9, 2012, to PDE, and a referendum question to be placed on the ballot would have to be submitted to election officials by February 24, 2012.

Mr. Grant asked that a mechanism be put into place for the public to submit and have their questions answered regarding the budget. It was suggested that this take place at the committee meeting on January 30.

Mrs. Zariczny asked, "If the Board is going to go to referendum to raise taxes, what type of marketing plan is under consideration to inform the electorate of the importance of education and passing the referendum?"

Mr. Hufnagel suggested that the administration bring several sample referendum questions to the Board for consideration at the committee meetings.

Mr. Stewart asked that a motion be placed on the agenda for the January 25th special board meeting to delegate to the negotiations committee to begin the process of meeting with the labor groups to discuss salary freezes for the 2012-2013 budget year. He asked that it be placed after the preliminary budget on the agenda.

Mr. Hufnagel reminded the Board Members that this preliminary budget needs to be passed months before the legislature passes its budget leaving actual funding from the state as a guessing game. It is an unfair burden to each district trying to develop its budget. He asked each Board member to talk to their representatives about changing the process.

Mr. Stewart stated there are several reasons why the district is facing declining revenues. The county is no longer the beneficiary of increasing real estate taxes, transfer taxes are declining, earned income taxes are down because of the weak economy, and the State is no longer holding the state funding to the levels it did to help struggling rural districts. The District has run out of savings from consolidation, health benefit costs are escalating, forestry monies are half of what they were a couple of years ago, and there has been an enormous drop in federal and state grants.

Mr. Grant asked if the referendum question could take on a menu format where the voters have flexibility in choosing what is important to them.

Mr. Zamborik presented a request from employees that the All-Clean contract be eliminated. A packet of information was also presented to the board members for their consideration. The material will be considered at the Finance Committee meeting on January 30th, and the administration was asked to review the material and verify the numbers in the material, which is a year old, as well as, look at the costs of adding employees to the district payroll.

Mrs. Zariczny asked administration to look at a resolution from another district regarding fiscal responsibility and transparency of charter school funding and asked administration to look at it and plug in our district numbers and look at how WCSD is impacted by charter school funding. The Board may want to pass a similar

resolution to try to get the state to change how charter school funding is allocated. She asked the Finance Committee to take this under consideration at its next meeting on January 30th.

Mr. Knapp recognized Mrs. Huck, with regards to a letter received from PSBA, congratulating her for time spent working with the organization and for the additional time she has agreed to commit to as a member of the PSBA Board of Directors.

3. Closing Activities

3.1 Adjournment

MOTION: It was moved by Mrs. Zariczny and seconded by Mr. Grant that the meeting be adjourned.

The meeting adjourned at 8:45 p.m.

Respectfully Submitted,

Ruth A. Huck, Board Secretary