

March 30, 2020

SCRANTON, PENNSYLVANIA

The Scranton School Board of Directors held a Special Meeting for the Specific Purpose of the Continuing of Education Plan, Business Mercantile Tax and Personnel on Monday, March 30, 2020 at 4:30pm prevailing time via Zoom Conferencing.

(Secretary's Note: Effective March 16, 2020 school districts in Northeastern PA closed due to the COVID-19 pandemic)

President Gilmartin called the meeting to order at 5:14pm with a Pledge of Allegiance to the Flag.

Roll Call: By the Secretary.

Present: Directors Cruz, Fox, Hume, Malloy, McAndrew, Schuster, Welby and President Gilmartin.

Absent: All Present.

President Gilmartin announced the purpose of the special meeting which has been duly advertised.

At this time Solicitor Audi announced that due to the extenuated circumstances and the insecurities the zoom meetings have experienced with hacking and the need to have a remote meeting we switched over to the 5:30 session which is the only way to do it securely and the media and unions were notified and asked to spread the word to the best of their ability and he feels that we've done the absolute best we could to reconnect with everyone.

Presentation by Superintendent Melissa McTiernan

Mrs. McTiernan now gave a presentation regarding the Continuity of Education Plan with the assistance of Ann Grebeck, Paul Dougherty, Sharon Baddick, Maggie Cosgrove, John Castrovinci, Robert Gentilezza and Patrick Laffey.

<..\Documents\Continuity of Education Plan- Enrichment Review.pdf>

Director Cruz asked Mr. Laffey that if a parent brings their child to receive a meal a one of the distribution schools, the parent can receive a meal as well.

Mr. Laffey responded no, that is incorrect; the parent may pick up a meal for the eligible student up to the age of 18.

Director Hume asked to check to make sure correct dates, times and locations are published.

Director Schuster asked where we are with the threshold and meal reimbursement.

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Mr. Laffey said we are reimbursed on a per meal basis and the goal is to run a revenue-neutral program. Mr. Laffey added the totals are submitted on a monthly basis and breakfast and lunches are reimbursed at different rates.

Director Malloy asked Mrs. McTiernan if every student is going to have their own email address. Mrs. McTiernan confirmed with Mr. Dougherty that every student has been assigned their own Google account, not gmail account with the exception of elementary students because we weren't that confident with security.

Director Welby asked if we know if everyone has the technology at home to support this.

Mr. Dougherty said that is something we have to revisit and a survey was conducted but we are waiting to see when or if students will be returning and at some point we're going to have to have a discussion and we do know that if a student has an xbox or PS4 then they must have access to internet.

Mr. Bert Gentilezza added that Star Commonwealth has offered Trauma Resilience Training course valued at \$199, free of charge and he sent this information to principals and staff and urges those to take advantage of this course so when the kids do return, it's going to be overwhelming for students and families and this course is designed to help ease the tension when students return.

Mrs. McTiernan asked to please notice on the plan that it states it is subject to change pending future government guidelines and this plan will continue to evolve as we receive more information and there are zoom sessions that are happening above our level and we meet as superintendents to receive that information so this was the plan for up to April 6th and now we received more information so we're going to have to expand that and with some of the questions you have we may not have that information right now because there will be some changes and additional pieces as we receive more information and expectations from the Department of Education.

Director Welby asked Solicitor Audi how liable are we and how protected are we with this plan.

Solicitor Audi said the goal is to do the best we can, make a good faith effort to educate our students and what does good faith effort mean? There's no definition right now and their firm has worked very closely with this district to create this plan and as Superintendent McTiernan said is this plan was supposed to go until April 6th, so they're going to have to do a significant amount of modification to this plan and the problem he sees is they learned now that the schools are closed until further notice and he doesn't know what that means whether it's the following week or the end of April or through the rest of the school year. Mr. Audi said it's very difficult to make an education plan based on an unknown detriment and this plan, in their opinion, is a very good plan for the short term and we knew going into it, this was the best, good faith effort right now to educate the students across the board, all needs whether economic, socioeconomics, special needs, gifted, regular education, all needs that we could do at this moment. Mr. Audi's expectations is that there will be further directives from the Department of Education and maybe the United State department, it would be nice if someone could tell them what to do but they're not right now so they're doing what they can do.

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Mr. Audi said as for liability, he thinks they can all agree that if there's no school, no education, there is going to be lost education and they're going to have to do some compensated program and analysis when students come back, that's pretty much a given, and he thinks everybody understands that but what they're attempting to do is fill the gaps as much as they can right now and the best way they can do it without holding some kids back and providing it for other students. Mr. Audi added that they're trying to do the best they can for the largest number of students and this plan did that in the short term through April 6th. Mr. Audi doesn't know that it's going to do that through April 30th or through June 30th, so it's a work in progress.

Mr. Audi further added there is going to be lawsuits, there's going to be parents filing and the attorneys that represent students are already having seminars on how to sue under the circumstances of the school closings and he thinks that Judges in the long run will look at us kindly the harder we try and the more we do and that's the best advice they received so far and this was, in their opinion, the best plan to put in place through the school closing but that changed an hour and a half ago so now they have to implement this plan if it's the board's desire and obviously look at it again as directives come out. There will be liabilities but the more they do the more students they cover the less liability they'll have in the future.

Public Comment

(It was noted that some speakers were not able to reconnect after the meeting was disrupted by inappropriate content from "zoom bombers". Mrs. Orr did reach out to the speakers via email but has not yet heard back)

Rosemary Boland, SFT President, congratulated everybody on herculean efforts during these times of emotional and physical stress and we need to understand what Mr. Audi just said and what Mr. Dougherty said during the presentation regarding our district that we have a poor district and we cannot expect all of those children to have wi-fi access in their homes and we know they do not have Google chromebooks in their homes so we're going to have to deal with that the best we can. Ms. Boland said as far as teachers being able to communicate with parents; they change their phone numbers regularly and a lot of times when they see it is a school number calling they don't take the calls so to expect teachers to make phone calls is not practical. Ms. Boland thinks the principals should make an all call at least once per week reminding parents of the opportunities available to their children in the current crisis.

Ms. Boland said online learning is not the best and does not equal brick and mortar learning but this is the time we're living in and what we're dealing with right now. Ms. Boland said the SFT has committed to working with the district and thinks they need to continue communicating but she needs everybody to have reality checks and not expect herculean efforts in communicating with the students constantly because they know that doesn't happen in the best of times. Ms. Boland said she is not going to allow her members to get frustrated and she doesn't want any emotional responses from them and needs everybody to stay calm and base this on reality.

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Ms. Boland hopes the people who are thinking about lawsuits, let the judges deal with that and thinks that people who would do that are probably the lowest type of individuals but right now she is concerned about the students going forward and the teachers, paraprofessionals and all staff that none of us get ourselves so emotionally wrecked by this and the SFT will continue to cooperate to the best of their ability.

Dr. Candis Finan, in concert with what everyone, this plan is a start but based on where we go from here, as Superintendent McTiernan just said, an hour and a half ago things changed so she thinks they have to go back as an administrative team and look at what we do in the longer term, there will be changes but this is a start moving forward of what they have to do now and we all understand the challenges and we also have some obligations to help overcome some of those challenges.

The following was submitted by Director Welby.

D-1

It is the recommendation of the Superintendent and the Education Committee that the following is approved:

WHEREAS, the Pennsylvania Department of Education encourages all schools to provide some type of continuity of education for all students in the most appropriate and accessible ways possible, while also honoring the Governor's guidance for aggressive social distancing; and

THEREFORE BE IT RESOLVED, the Scranton School Board hereby approves the Scranton School District's Continuity of Education Plan as presented.

The resolution was seconded by Director Schuster and passed unanimously on roll call.

At this time President Gilmartin asked Mr. Patrick Laffey if he has anything to share prior to presenting the next resolution.

Mr. Laffey said, in relation to the next resolution, they prepared a cash flow analysis showing the impact of deferring the Business Privilege Mercantile Tax payment from April 15, 2020 to July 15, 2020. Mr. Laffey stressed that this cash flow is based off of the 2020 Budget and there's been no assumptions made to any loss of revenue due to these times and we're only 14 days into this and they will be communicating with the Single Tax Office, and Berkheimer Associates who collects our Earned Income Taxes which we feel may be one of the hardest revenue sources affected by this and will be wrapping up this month and will have more to share in the coming week.

Mr. Laffey gave a comparison of what 3 months of 2020 versus 2019 looks like and said he spoke to the Single Tax Office today and they estimated that we are up about \$1.3 million in their collections which consists of the Real Estate from last year. Mr. Laffey said, as we all know, we moved up the discount period so they anticipated some cash at a quicker rate and we also levied taxes so that increase was assumed. Mr. Laffey hopes to have some more information, and they're continuing to evaluate the collections compared to the prior years as they move forward but the cash flow in front of you as he stated does not try to

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make any assumptions as to what the impact is but it does show that under normal circumstances, the deferment of approximately \$5.1 million of Business Privilege Mercantile Taxes from April through July is sustainable based on our revenue sources.

The following was submitted by Director Yanni.

B-1

It is the recommendation of the Superintendent and the Budget and Finance Committee that the following is approved:

WHEREAS, in an effort to provide relief to businesses struggling economically due to the coronavirus pandemic, the Scranton School Board in concurrence with the City of Scranton hereby approves extending the collection deadlines for Business Privilege Mercantile taxes from April 15, 2020 to July 15, 2020.

The resolution was seconded by Director Schuster.

ON THE QUESTION:

Director Schuster asked if we received any justification from the city on why they changed the date.

President Gilmartin said she did speak to Council President Gaughan earlier today and he is planning to speak with the Mayor this evening. Ms. Gilmartin isn't sure this is a decision that can just be made unilaterally and thinks they need a little bit more communication about this and certainly the school district has a bigger piece of this pie and she agrees with Director Schuster and would like to understand the justification. Ms. Gilmartin is very pleased that the legislation has required that they continue our employment situations but that does make it difficult for us to lose revenue or delay any revenue and we have to be very cautious about this and understand this more.

Ms. Gilmartin asked Dr. Finan to speak about debt service payments.

Dr. Finan said there are debt service payments due in June and when Mr. Laffey was looking at the cash flow he did take that into account and we can get through to July 15th although it would be nice if we could ask those who can afford to pay Business Privilege Mercantile taxes on time to do it now as opposed to waiting until July 15th. Dr. Finan understands the need to be consistent with the city so perhaps they need to say in their response that we would appreciate any one who can make their payments on time because we do still have to pay staff even though they're not in our brick and mortar buildings.

Director Schuster asked what month the debt service payments are due.

Mr. Laffey responded that debt service payments are scheduled throughout the year and basically they're due in April and October, and some are June and December. Mr. Laffey said the largest payments are scheduled in June and there is roughly \$8.7 million budgeted for debt service payments in June consisting of principal and interest. Mr. Laffey believes that over the course of the years when they structured the timing of the payments they

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opted for June for a reason and in most years they received the majority of tax revenue by then and also received the largest share of their basic education funding. Mr. Laffey added to Dr. Finan's note that it is built into the assumption of the cash flow as well.

Mr. Laffey said there are a few other big items that are happening very shortly that should be noted and that is the sale of the Delinquent Real Estate Taxes which is something that is typically scheduled for around this time and awarded in April and try to close on that by May. They have received a proposal for that which they are still reviewing. The district budgeted about \$4.6 million for that sale, so that's a big item that he thinks is a factor in this if they were to not close on that and will be presenting that at the April 6th meeting and the board will have more information on that in their packet. Mr. Laffey said that also factored in to this payment schedule, in addition as Dr. Finan noted, that all payrolls, continuation of health care payments and paying bills, is the first installment of the tax revenue anticipation note came in and that has to happen before April 30th. Mr. Laffey said they are on schedule to make that payment as well and he will add that the district Treasurer, First National Bank, who carries that note has contacted him and wanted to see where we're at and if there are any issues that arose to open up discussions with them but that is a \$3 million payment that has to happen by April 30th.

Director Malloy asked Dr. Finan if she thinks that if they did not move the collection deadline, but instead suggested that we would defer any enforcement efforts in keeping with the city's date, would that get the message across, referring to what Dr. Finan said earlier.

Dr. Finan thought that was a great point and that would do it very nicely and we could say that we are not going to enforce any delinquencies; she thinks that would get it across. Dr. Finan confirmed with Mr. Laffey that these are taxes from the last quarter of last year.

Mr. Laffey said it is taxes due in 2020 based off of the prior year's gross receipts.

Dr. Finan said so if that's from 2019 she thinks that suggestion is an excellent one and would send the right message.

Director Schuster agreed with Director Malloy and said that as Mr. Laffey will be sharing more information by the end of this week and council hasn't had discussions yet with the city, there is a meeting next week; he thinks they could do a friendly amendment and go with Mr. Malloy's suggestion or possibly table this until the April 6th meeting until they get more word from the city.

President Gilmartin also likes Mr. Malloy's friendly amendment whether it happens today or next week, she also doesn't have a problem delaying it until next week, she would like more information to see what the city does decide, but she is open to making the decision this evening that we're not going to do this, we're simply going to defer the delinquencies.

Director Malloy added that more information never hurts and the decision won't have any different affect if they wait a week and get more information and thinks that tabling is the smart idea.

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Director Schuster made a motion to table, Director McAndrew seconded and the motion passed unanimously on roll call.

At this time, one of the public comment speakers was able to reconnect and give the opportunity to speak.

Vivian Williams, parent, appreciates the board making the meeting happen despite the world we are living in now due to the coronavirus. Ms. Williams believes a lot of her questions have already been addressed but is concerned that there's not enough chromebooks for every student in the district and as a parent of a 5th grader she is worried about her child going to 6th grade unprepared. Ms. Williams also wonders how it is decided which families qualify to receive chromebooks and thinks the 5th and 8th graders who will be starting a new school year in a new school with new teachers and technologies should have a priority in getting those chromebooks.

Ms. Williams expressed concern of her special needs child and plans to ask if he could be held back due to this situation and what is the plan for special education students.

Mrs. Sharon Baddick said she will keep Ms. William's concerns in mind and when this is all over she will absolutely meet with her as well as a member of the IEP team and address her concerns as they will have to do with all of the students with special needs and at that time they can make a decision. Mrs. Baddick knows Ms. William's concerns are justified and they have to look at things on a case by case basis.

There being no further business a motion to adjourn was made by Director Cruz, seconded by Director Malloy and the meeting adjourned at 6:28pm.

By: _____