

December 11, 2018

## SCRANTON, PENNSYLVANIA

The Scranton School Board of Directors held a Public Hearing for the 2019 General Fund Budget on Tuesday, December 11, 2018 at 7:00pm prevailing time at Isaac Tripp Elementary School, 1000 N. Everett Ave., Scranton, PA 18504.

Director Cagnetti, Budget Chair called the hearing to order at 7:02pm with a Pledge of Allegiance to the Flag.

Roll Call: By the Secretary.

Present: Directors Casey, Cagnetti, Duffy, Gilmartin (arrived at 7:06PM), McAndrew, Popil and Schuster.

Absent: Directors Lesh and Dixon.

Director Cagnetti announced this is the second of three hearings this week, the board met at Kennedy Elementary last night and tomorrow night they will meet at Armstrong Elementary.

Director Cagnetti summarized last evening's discussion about potential cuts and increases. The increases would be mandated under Special Education and some other potential increases due to safety in the district and asked Mr. Pat Laffey to put some of that on paper so they can see what those positions might look like in the budget.

[Proposed Budget handout from 12.11.18 public hearing.pdf](#)

Mr. Pat Laffey presented staffing recommendation figures of the mandated positions of twelve special education teachers, twelve special education paraprofessionals and two guidance counselors at a cost of \$1,362,101.00 and the Safety and Health recommendations of six hall monitors and two Dean of Students at a cost of \$327,592. Recommendations also included Revenue Generating/Cost Control positions of two Cyber Academy Teachers and a Grant Writer that would be cost neutral for a total of \$130,190. In the Budget and Fiscal Monitoring/Control area an Assistant Business Manager is recommended and that salary is already budgeted in line item 2500-110 of the budget. The figures provided include salary, healthcare, FICA, PSERS, FICA Reimbursement, and PSERS Reimbursement. The additional positions of two guidance counselors are not mandated but they will aid in the student health and safety. Also indicated in the handout is the Monticello rental increase and tuition increase for seven additional outside placements which will range between \$55,000 to \$75,000 per student. Last night's projected deficit was \$5,082,869.00 and with the recommended staffing the deficit increased to \$5,558,330.00; a difference of \$475,461.00.

Director Casey asked for a breakdown of the PCAs.

Dr. Kirijan said Mrs. Baddick will summarize that for the board.

Director Schuster inquired about the additional square footage at Electric City Academy.

Dr. Kirijan answered that a conference room will be converted into a classroom.

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Director Schuster asked how much money per square footage.

Dr. Kirijan said has a proposal of the cost but there will be no increase.

Director McAndrew asked if this will happen for next year. Dr. Kirijan said no, this year.

Director Casey asked about the rental increase at Whittier Annex pertaining to a request from the lessor regarding an increase in rent,

Dr. Kirijan responded that what was discussed has been accepted; it will be a year to year lease with an increase of 3% each year and it has been included in the budget.

Director Cognetti commented that last year all buildings were asked to cut 20% of their budgets and some were able to do that and asked if there is any more room in the building budgets for more cuts.

Dr. Kirijan responded that she met with those principals last week and they are willing to go back to their budgets from last year but the others are unable to cut anymore. Dr. Kirijan added that it looks like there was an increase due to the Wilson Program but that has been taken from department budgets and put into school budgets for that. Dr. Kirijan further added that they are hoping to purchase ELA materials through grants for next year.

Director Cognetti asked if there have been any cuts in any administrative budgets.

Dr. Kirijan responded that they put off purchasing Wilson for two years but this year they decided that in order to focus on literacy and reading skills and didn't want to put it off again.

Dr. Kirijan said as far as the administrative departments they were able to cut a little bit and she will meet with the department chiefs again but she doesn't believe there will be significant cuts.

Director Schuster commented that there is a \$5.5 million deficit and asked Mr. Laffey if he can foresee any expenditure cuts.

Dr. Kirijan said she talked with Mr. Kaplan from PFM regarding the consolidation of schools but they will not have a report for tomorrow night, they will have it for the beginning of next week and she will include it in next Friday's packet.

Director Schuster asked how long they have been working on that.

Dr. Kirijan thinks since last May but she does not know herself what their plan looks like, she still does not know what they propose; they have to look at boundary changes, transportation changes and they are hoping for special education transportation savings in January, looking into staggering some start and end times and also savings in copiers from the results of the copier bids. She should have this information tomorrow evening and they will take a look at it and discuss it next week.

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Director Casey asked if they will be able to discuss it at the December 17<sup>th</sup> Budget Committee meeting.

Dr. Kirijan believes they will be able to do that depending on how comprehensive the plan is and what the board decides to do, some of it may be in stages and we may be able to do this in the beginning of the 2019/2020 school year and requires them to begin their work pretty immediately and continue that throughout the summer.

Dr. Kirijan reminded the board that the consolidation of schools would not allow them to do teacher cuts as they accepted the \$6,000,000 from PDE and part of the requirements of that grant is that we do not furlough teachers in this coming year.

Director McAndrew commented that he understands the mandated pieces and we need the special education teachers but as for the Dean of Students, he wants to know how we're going to pay for them and as for the guidance counselors if there any money from the 339 Plan to help support this.

Dr. Kirijan replied that last night they asked about enrollment numbers at West High and as of today there are 1,009; last year they had less than 800. Scranton High has 1,730 students and they have two assistant principals and one principal. West Scranton has one principal and one assistant principal. Dr. Kirijan added that the board has focused on safety and the principals who came and spoke to the board felt because they don't have additional hall monitors and support staff they can use an extra administrator and that's why we are asking for that. As far as how they're going to pay for it, they saw some cost savings with some of the things this evening and they will again look at their budgets within the departments, will look into transportation and looking at consolidating schools so they may see some savings or depending on what those plans are you may see there is not a need to hire those two people because if they consolidate schools they may be able to consolidate administrators but tonight she can't say that's a possibility so she believes last night Mrs. Cognetti asked to tell the board what she is requesting at the moment, so at the moment that is what she is requesting. Dr. Kirijan continued and gave the board an idea of how things do not stay constant; November 17<sup>th</sup> she had a student count of 10,254 and on the 27<sup>th</sup> she had a count of 10,170, and today she has a count of 10,050. So what they know at this time of year many students leave for the holidays and come back after the holidays so there is a fluctuation that takes place this time of year and she believes they are working off of October numbers to get to where they are tonight.

Director Cognetti commented that some of the things they are looking at is paring down some of the athletic costs, looking at participation fees and asked if there is still room to potentially offset those costs.

Dr. Kirijan responded to Mrs. Cognetti's point that if this consolidation plan from what PFM is going to present is something the board thinks they would like to implement then that may affect some of the athletic programs depending on what they bring to them and she is as in the dark as the board is, she is anxious to see what they are recommending.

Director Cognetti said maybe they don't have all of the answers tonight and asked Mr. Gretton if he sees anything in this budget to recommend, they are open to discussing, it

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doesn't give them enough time to do a full review, but asked how he would frame that in the budget and how they would make it work.

Director Duffy completely agrees about consolidating, he thinks that although Dr. Kirijan talked about numbers, the school district population is dramatically increasing with 250 additional students just this quarter so it is something they need to keep in mind but it's not something they can prepare to have in the budget in 11 days.

Director Cognetti now thanked Mr. Laffey, Mr. Gretton and Dr. Kirijan and moved to public comment.

Public Comment:

Diana Harris, resident and tax payer, expressed that her worst fear is the district is going to increase taxes to the max and that we're going to go nowhere, there are so many people who cannot afford the increase. Mrs. Harris applauded the board and administration for chipping away and also commented that the teachers have been working without a contract, they haven't received a raise and asked if the administration has given back the 4% that was mentioned they would, that the teachers are giving concessions, but are the administrators giving concessions also. Mrs. Harris also suggested having one principal oversee two schools and asked if it is legal to do that.

Mrs. Harris said she wouldn't mind higher taxes if the district didn't have such a high drop-out rate and very low proficiencies.

Mrs. Harris thanked the board for all they do; she knows their jobs are not easy.

Dr. Kirijan replied to Mrs. Harris that SAT scores are up in both high schools and ELA scores are also up; the student growth scores continue to climb but student achievement hasn't caught up yet. Dr. Kirijan said the teachers are doing a great job in the classroom and making academic progress; we are not where we would like to be but we're working on it and just as they are chipping away at the budget they are chipping away instructional technology and implementing instructional systems in order for our students to be more proficient. Dr. Kirijan said they talked about additional professional development for the teachers to help them with some of the more difficult tasks that they have as they're trying to improve scores. The state has put a lot of things in place for us in past two years with the PA Future Ready Index which is part of the education elementary/secondary school act and these things should help to increase graduation rates and scores.

Dr. Kirijan added that today they celebrated the award of a Blue Ribbon School to Robert Morris Elementary School and Robert Morris is only one of ten in the entire public school system in PA that received this award so there are a lot of good things happening.

Director Schuster inquired about the administration cuts and Act 93, and asked if other options have been explored; options with vacation days or healthcare to make up that 4%; and asked if there were any central administration cuts this year.

Dr. Kirijan responded there have been some position cuts out of central office last year.

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Director McAndrew announced that there is a meeting tomorrow with administrators to discuss them giving back.

Director Popil answered Mrs. Harris' earlier question that sharing principals is not illegal.

Mr. Ken Norton spoke about private organizations providing funds for education and asked if anyone has looked into that. Mr. Norton also spoke about consolidating schools, the rental increase on Orchard Street and if merging schools involves using buildings outside school district buildings.

Ms Rosemary Boland, SFT President, said she is willing to have property taxes increase as long as it is used for the improvement of schools and the betterment of education.

Ms. Boland spoke about the closed Audubon school, receiving only \$800,000 for that which she felt was a joke. Ms. Boland also said that as soon as the Whittier school was reconstructed and Audubon closed students and teachers were disrupted and had to travel all over until they finally found Nativity to house some students adding that Audubon should have never been sold; the repair costs at that time \$4.5 million to bring that school perfectly up to code.

Ms. Boland spoke of the O'Donnell Plan which has been around a long time and that West Scranton Intermediate School was supposed to be elementary center and West High grades 7 through 12. Ms. Boland added that many of the classrooms right now are over contractual limits. Ms. Boland also spoke about square footage requirements for Special Education classrooms, staggering schedules, parking issues at Northeast Intermediate.

Ms. Boland commented that two guidance counselor positions were cut as well as special education teachers and now they need them back; agreeing with Director Duffy that the school district is growing, students moving into the district that can't speak or understand our language, they've never been in a school before, and we welcome them in our schools but people who sit on high don't know the reality of the daily activities in our classrooms.

Ms. Boland expressed that it's time we stood up to Harrisburg and put the heat on; there's nothing more that can be cut in our schools adding that Monticello teachers don't even have materials to work with.

Annette Palutis, retired teacher commented on the closing of North Scranton, she was a teacher at the time and remembers Director Popil showing the media all the cracks in the wall and the school was caving then it was discovered that the school was not caving. Ms. Palutis recalls that it would have cost \$11 million to repair the school, students had to be bussed all over the city, they still have to be bussed and in all these years \$11 million has been spent in transportation. Ms. Palutis told the board to plan better, look at the consequences like giving up a school like North Scranton, throw the politics out the window and do what's right.

Director Duffy appreciated and thanked everyone for coming out this evening and he knows he sounds like a broken record but they have been going to the state regarding fair funding formulas and Scranton has been underfunded for a long time, it's becoming more apparent now, there is millions of money the district is missing out on, he has faith in Governor Wolf

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and Senator Blake as they have been on our side, we have to unite together, take a more forceful stance to demand we get some of these funds. Mr. Duffy added that the district should not have to consolidate, make cuts, have layoffs or make decisions like this.

Director Schuster conferred with Mr. Laffey that the average home is assessed at \$10,000; Mr. Laffey said they use that as a median and that the assessment report comes in slightly below that. Mr. Schuster asked for the benefit of the audience how much that is per household. Mr. Laffey said about \$90/year. Mr. Schuster commented that the homes here in the Tripp Park section would assess higher, maybe \$22,000. Mr. Laffey said he doesn't know the specifics of Tripp Park and agreed with Mr. Schuster when he said homes assessed in the \$20,000 range would double the payment at \$180/year.

Director Cognetti assured everyone that consolidation is something that they only heard about a few nights ago, it's only one of many plans of PFM, they are very far away from making any decisions, they would be irresponsible not to think about it in terms of the budget and have a discussion but nothing they are doing next Wednesday is consolidating schools or making any final decisions and she wouldn't want that in the headline in the public's eye tomorrow when it is very far from the truth.

Director Schuster compared the population at Audubon which is about the same as Whittier is right now.

Director Cognetti said they need to put us back into the frame of the PFM recommendations of 2017, the Auditor General's report from 2017, and what this board has done in concert with administration and teachers is try to look at everything and they would be negligent if they didn't look at PFMs report adding that none of this is fixed unless the state comes in. Mrs. Cognetti hopes they all can unite and take a trip in February to Harrisburg for the need of fair funding; they can cut everything they want but its fair funding they need.

Dr. Kirijan informed the board that she contacted PDE regarding the four day work week, if it was a possibility if it resulted in savings to the district and the reply she got back was that they wouldn't prevent them from doing that and we meet all of the hours required the state has so that's another thing we can begin to look at but it's not something we looked at before but added that Hazleton proposed a plan but it was rejected. She called Hazleton School District but they weren't willing to share any information at this point.

Director Cognetti asked how long ago Hazleton proposed a four day work week.

Dr. Kirijan thought it was last year or the year before.

Director Gilmartin asked if there are other districts where a four day work week is successful. Dr. Kirijan said not to her knowledge.

A member in the audience spoke out and commented that the budget should be completed in the spring because how can anyone know what they would need December.

Dr. Kirijan thanked her for that comment as that is something the whole board has been discussing, it takes legislators to move it forward and get us there, there has been

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conversations generated with PDE and the Governor's office but there is a process, no one can put a finger on what needs to be done, believes the board has an interest in doing that and agreed that it is very difficult to plan for the next school year in December.

Mr. Ken Norton asked what the problem is and why can't they do it.

Director Schuster said it would take 18 months of funding to get there.

Mr. Laffey said that there are limits to the amount they can raise taxes in one year; without assistance he believes they would have to levy 18 months of taxes to transition over to fiscal year.

Director McAndrew thanked everyone for speaking tonight, their points are valid adding that the district is under a financial watch right now which means the next step is recovery which they don't want but we're being held by the state because they said in order to increase funding we have to demonstrate to them that we're prepared to make cuts and we've done that.

Attorney Audi said that he has been in districts in recovery and the cuts are huge and agrees that they have to go to Harrisburg and demand money our but at the same time be mindful that consequences can be extreme to staff students and control of the district completely.

Director Cognetti thanked everyone for coming and announced the next meeting will be held at Armstrong Elementary tomorrow at 7:00pm.

There being nothing further a motion to adjourn was made by Director Duffy, seconded by Director Popil and the hearing adjourned at 8:19pm.

By: \_\_\_\_\_