

**Northwestern Lehigh School District
6493 RT 309, New Tripoli PA 18066
Workshop MEETING
District Boardroom
Wednesday, February 2, 2022 7:00PM**

1. Opening Procedures

1.01 Call to Order

The February 2, 2022 Board Meeting of the Northwestern Lehigh School District Board of Directors was called to order at 7:00 PM by President Willard Dellicker.

1.02 Opening exercises included the Pledge of Allegiance and a moment of silence

1.03 Roll Call

PR/AB

PR	John Casciano	PR	Todd Hernandez	PR	Todd Leiser
PR	Willard Dellicker	PR	Becky Hite	PR	Rachael Scheffler
PR	Joseph Fatzinger	PR	Lauren Hunsicker	PR	Jennifer Senavaitis

Also Present: Jonathan Wozniak, Auralia Lundquist, Kevin Vernarr, Jesse Maurer, Michael Way, Katelyn Liedig, David Miles, Brian Kunkel, Dr. Elaine Eib, Tara Houser, Dr. Ann Bieber, Stefanie Nester, Patricia Bader, Dr. Tim Rushton, Ryan Kish, Luann Matika, Arthur Oakes, Jennifer Holman, Troy Sosnovik, Stacy Eisenhard

1.04 Approval of Agenda

Moved: J. Fatzinger

Seconded: T. Leiser

Vote: 9 Aye, 0 Nay

1.05 President welcomed guests

W. Dellicker said there will be an Executive Meeting for legal following tonight's Workshop Meeting.

1.06 Courtesy of the Floor

Brian Kunkel, Heidelberg Township, apologized for his speech at the last meeting but said it is frustrating to see kids wearing masks. He said he doesn't understand why parents can't have a choice and are forced to do something that has made very little difference.

Jesse Maurer, Weisenberg Township, said it was great to be in the building again and attend the Singing in the Snow concert, but thought it was disgusting to see kids wearing masks while they sang. He said he hates coming to the meetings and saying the same thing, but said it is on the school to change. He said at some point kids will not feel comfortable with a life without masks and he is disgusted, ashamed, and embarrassed that there's people who still think it's okay to have kids wear masks.

Kevin Vernarr, Heidelberg Township, said he still feels we will not be able to control this virus and it doesn't make sense why kids still have to wear masks when they don't have to wear them anywhere else. He said he hopes a decision is made to move on and get masks off of kids because it should be up to parents to make a choice.

Auralia Lundquist, Lowhill Township, congratulated the new school board members. She said she has been listening to previous board meetings and is grateful for the conversations that have been happening. She asked that the Board continues to evaluate the Health and Safety Plan and shared how her son feels about wearing a mask in school.

Michael Way, Weisenberg Township, said he has been watching the board meetings on YouTube and it is frustrating as a parent. He shared an incident about his son being sent home from school and said it is extremely frustrating.

W. Dellicker said he believes we are on the verge of coming out of this situation and asked Mrs. Holman to talk about the message being sent to parents this evening based on the decision from the last meeting.

J. Holman said we took action on several items at the January 19th meeting. She said one change was about quarantine recommendations for asymptomatic non-household contacts and the other was to change the matrix effective February 3, 2022. She said a message will be going out tonight to summarize the changes. She said all school buildings will be in tier one which is optional for face coverings as well as extracurricular, athletics, and spectators. She said face coverings will still be required on transportation, in the nurse's suite, and at Lehigh Career and Technical Institute. She said we will continue to monitor localized data and will move individual buildings back to tier two or tier three if necessary.

W. Dellicker said this Health and Safety Plan has successfully brought us through all of the trials and tribulations that we have had to put up with the last couple of years. He said part of the plan is that it can be amended and adjusted as we learn more about the disease.

1.07 LCCC, LCTI, CLIU Budget Presentations

Dr. Elaine Eib, Executive Director, and Ms. Tara Houser, Director of Business Services, from Carbon Lehigh Intermediate Unit presented the 2022-2023 CLIU General Operating Budget. Dr. Eib said in the last eleven years she has not increased the general budget because they have been able to use revenue from other kinds of services to reduce the application of an increase. The total General Operating Budget is \$3,376,570.00 with a district contribution for Northwestern Lehigh of \$42,716.00.

Dr. Ann Bieber, President, and Ms. Stefanie Nester, Vice President of Finance, from Lehigh Carbon Community College presented the 2022-2023 LCCC budget. Dr. Bieber said this year they are celebrating their fifty-fifth anniversary and serve about thirteen thousand students annually both in credit and workforce training. The total Operating Budget is \$44,891,636.00 and the total Debt Service/Leases and Capital Funding is \$8,415,253.00. The Northwestern Lehigh district contribution is \$154,527.00 for the Operating share and \$78,374.00 for the Debt Service/Lease/Capital share. The total appropriation for Northwestern is \$232, 901.00 which is a decrease of \$1,742.00.

Dr. Tim Rushton, Executive Director, and Ms. Patricia Bader, Business Administrator, from Lehigh Career and Technical Institute presented the 2022-2023 LCTI budget. Dr. Rushton said this year they are celebrating their fiftieth anniversary and will be burying a time capsule in the Spring to be opened twenty-five years from now. He said LCTI serves nine member districts, has over 2,700 hundred students, and is currently one of the largest technical schools in the state. The General Operating Budget is \$29,779,840.00 and the Academic Center Budget is \$2,164,100.00. The Northwestern Lehigh district contribution is \$1,529,741.29 for the General Operating share and \$65,139.00 for the Academic Center share.

J. Fatzinger said he attended the last JOC meeting virtually where they precisely went through the budget and made it very easy to understand. He said the whole program at LCTI runs very smoothly and it is an amazing program.

J. Holman said they are all really good partners and provide good services that we can't offer to our students.

R. Scheffler asked Dr. Tim Rushton if they will focus on what can be done to attract more students to LCTI over the next few years. Dr. Rushton said that has been an issue for many years and COVID made it even worse. He said out of the forty-plus programs they offer, there isn't one that isn't in high demand, and they can't produce enough students to meet the demand. He said they are continuing to move in a direction of exposing students at a younger age.

W. Dellicker said it's unfortunate that LCTI and LCCC are two of the best kept secrets we have in the Lehigh Valley and said it has always been a challenge to top the benefits of that kind of education and get parents interested in pursuing trades. He said you can save a ton of money by going to LCCC for the first two years of college and be overwhelmingly skilled for anything the world has to offer.

2. Curriculum/Building Issues

3. Policy

3.01 First Reading of the Following Policies

T. Sosnovik said both of these policies were last revised in 2008. He said policy 003 has a few minor recommendations to consider. He said policy 004 has several legislative changes; ACT 74 of 2014 added to the school code language for temporary vacancy for act military service, ACT 55 of 2017 which outlined the training requirements for school directors, and recommended language for student representation to provide opportunities for students to participate in school governance.

[003 - Functions](#)

[004 - Membership](#)

3.02 Second Reading and Final Approval of the Following Policies:

T. Sosnovik said there were no changes or questions for these policies since first reading.

T. Leiser asked about the use of the word absurd in policy 000. T. Sosnovik said it was language from legal and he will get a legal definition for what they mean by absurd.

[000 - Board Policy/Procedure/Administrative Procedures](#)

[001 - Name and Classification](#)

3.03 Recommendation to rescind the following policies:

None at this time.

4. Operations

4.01 Master Facilities Plan Update

A. Oakes reviewed the Master Facilities Plan for 2021-2022 through 2024-2025 and said it is a rolling plan that varies and moves depending on what comes up in the district. He said this is for the Board to take an initial look at and there will be further presentations in the following months to initiate some of the stuff. He reviewed the projects that have been completed, previously planned, and projects for future school years.

R. Kish reviewed the Financing Plan for 2021-22 and for future years. W. Dellicker asked if the LVHN sponsorship is for the turf agreement we made with them when the turf field was put in. J. Holman said yes. W. Dellicker asked if it is a fixed amount every year. R. Kish said yes. W. Dellicker asked what the life of the turf is. A. Oakes said twelve to fifteen years.

T. Leiser asked what the lowest the capital reserve has ever gone down and said that's the lowest number he's seen in his time. J. Holman said we recently started building up the capital reserve over the last few years to be able to add more to that.

A. Oakes reviewed the next steps and said we will bring forward a small presentation about the Middle School site lighting, bus yard upgrades, and the Middle School auditorium so the Board can see those projects. He reviewed the timeline and said it is a multiple step process.

J. Holman said this is typically the process the Board has seen in the past and they can move forward with whichever projects they decide. She said the Middle School heating HVAC system is still on the table and is a large ticket item that will not be able to be done out of fund balance and something we will need to borrow money for at some point.

A. Oakes clarified if they decide to move forward with a project, he said the money for the professionals can be rolled into the capital fund but if it's in two different budget years it will have to be paid out of our regular budget unless the project is approved. R. Kish said that is correct. A. Oakes said that is where it gets costly if they don't approve.

W. Dellicker asked if any of the projects will need to be done during the summer months. A. Oakes said no, he believes almost all of them can be done during the school year except the water replacement. J. Holman said you have to invest the money but there are long lead times with all of these projects.

B. Hite clarified if the school will be bringing back more specific data that will show more details. A. Oakes said Alloy5 have come up with a presentation that will show the Board more specific details and soft costs.

L. Hunsicker asked how we prioritize the projects and if all of the projects were recommended by Alloy5. A. Oakes said Safety and Security gets the highest level of concern. He said they also look at the use, the districts want and desire to upgrade something, and how or what it improves for students and staff. He said we do not do a lot of things for the operations component of the district. He said we try to prioritize what is the most important and then work with the business office to determine what can be done with the funds available.

J. Senavaitis asked if there is an opportunity to walk through some of the larger projects to see before they vote. A. Oakes said yes, he can show the Board around and how it works. J. Senavaitis said it is one thing to hear about it but seeing it in person will allow them to see how it would benefit the students and staff.

T. Leiser said he struggles a little bit not knowing what our cost base is actually going to be a year from now. He said we are facing an inflationary environment and thinks we will have to take a hard look at this relative to our financial potentials and what we can increase taxes by. He said he also thinks it's important as a school board that they recognize they don't just support the students in school, they support the entire community that pays taxes for the district.

J. Fatzinger said he is hopeful that Alloy5's presentation will be more specific toward just the projects we are talking about and looking at instead of what happened with reconfiguration. A. Oakes said it is specific to those three projects. J. Holman clarified that for the reconfiguration it was everything they found in the whole district.

5. District Finances

5.01 2022-2023 Budget Discussion

R. Kish reviewed the committed fund balance, assigned fund balance, fund balance trends, and millage options. He said at the last meeting we approved the resolution not to exceed the ACT 1 index of three point four percent and said this would generate \$1,006,508.00 in total tax revenue and cost the average taxpayer \$132.66 for the year. He said this is our recommendation but the Board certainly has other options like raising taxes one point seven percent which is half the index and would generate \$503,254.00.

R. Kish reviewed the budget summary and said the revised shortfall would be \$2,028,588.00.

R. Kish reviewed other post-employment benefits and said it is estimated to be approximately \$50,000.00. He said the recommendation is to continue to budget the actual cost of the retiree healthcare benefits through the use of fund balance.

R. Kish reviewed the transportation fleet age and said we have six buses and four vans that are at or above the fifteen-year mark. He said the estimated need for the 2022-23 school year is three buses at an estimated \$110,000.00 per bus and two vans at an estimated \$45,000.00 per van and said he expects those numbers to increase based on inflation. He said the recommendation is to utilize current budget funds and increase the budget through use of fund balance to cover the additional funding needed for replacements. A. Oakes said the reason for three buses this year is because of the inability to get one this year.

R. Kish reviewed the heating oil/diesel fuel amounts and said the recommendation if the district selects fluctuating pricing, to budget an additional fifty cents per gallon above the current fluctuating price to mitigate risk of price spikes.

R. Kish said our PSERS Stabilization current balance as of June 30, 2021 is \$2,254,000.00. He reviewed the projected rates, budget strategy and said the recommendation is to continue current funding strategy and utilize fund balance to smooth out PSERS employer rate increases.

W. Dellicker said PSBA sent an email out and in it was an article about PSERS being investigated for misrepresenting the performance of investments and said they had a lower projected cost for Pennsylvania but yet we have another increase. He asked R. Kish if he had any insider information regarding where this is heading. R. Kish said he doesn't but is curious to see how it turns out. J. Holman said she has been following it and the PSERS has been in trouble for a while. She said the most recent investigation is about some amount that they gave from a financial firm that was not as transparent to their Board, so there is an ongoing investigation. She said there was a report released yesterday and the summary said there was no criminal wrongdoing but the FBI is still involved to determine if there is more wrongdoing.

T. Leiser said he thought from his recollection that we would be capping out at thirty-four to thirty-five percent but now it's still going up and said we will run out of our stabilization money. J. Holman said you come to a point when you run out of money but you have appropriately funded in your budget what the rate is and you can take from there you will then be funding the increase in the rate they certify every year out of your millage. She said you try to get to a place somewhere close when you run out of money. R. Kish said we are not seeing the huge spikes we did previously but we're still seeing increases year to year.

R. Kish reviewed the Emmaus Bond Pool Rate Stabilization and recommends to continue budgeting three percent funding with one point five percent millage and one point five percent with fund balance, which is approximately \$200,000.00.

R. Kish reviewed the curriculum textbooks and materials and said he recommends funding the full \$100,000.00 of additional new curriculum textbooks and materials through the use of fund balance.

R. Kish said the budgetary reserve is to cover unplanned expenditures or to cover expenditures that resulted in additional costs compared to estimates and recommends to fund the full \$400,000.00 of budgetary reserve through use of fund balance.

R. Kish said the January shortfall is \$3,035,096.00 and said the total proposed use of fund balance is \$1,355,000.00. He said the proposed millage increase is \$1,006,508.00 with a remaining shortfall of \$673,588.00.

J. Holman said if we don't spend the \$400,000.00 it will roll and said all of our fund balance strategies are that way.

W. Dellicker explained the cyber/charter system and why we've had a three-million-dollar gap for the last several years. He said until the state comes up with some new funding, we are stuck with this.

R. Kish reviewed the timeline and said there is still a lot of work ahead.

5.02 Audited Financial Statement as of June 30, 2021

R. Kish said there were no findings in the audited financial statements as of June 30, 2021. He said there was a note regarding dealing with operating and financial leases which is a new standard that the business office team will be working through this year with Gorman and Associates which changes the way that leases are reported and defined.

5.03 Tax Collection Committee (TCC) Delegate

R. Kish said this is him replacing the previous business administrator on the tax collection committee.

5.04 Heidelberg Township Deputy Tax Collector

R. Kish said the state allows for a tax collector with the approval of the taxing districts to deputize in writing a deputy tax collector who collects and settles taxes in the event of a tax collector's incapacitation. He said Nancy Jakum is our newest elected tax collector for Heidelberg Township and she is deputizing Elizabeth Stetson with our approval.

5.05 Scholarship Report

R. Kish said this is not an action item and is just for the Board's information. He said the district is responsible for maintaining scholarships for senior awards and said the sheet shows the number of awards and the anticipated award amounts.

5.06 2022-2023 CLIU Budget

5.07 2022-2023 LCCC Budget

5.08 2022-2023 LCTI Budget

R. Kish said there was a \$195,000.00 increase to our 2022-2023 budget amount which will affect our budget moving forward. W. Dellicker said he would rather see money going to that instead of PSERS and oil etc.

5.09 Reports

R. Kish recommended the Board receive the following Reports for December:

1. Budget Report
2. Revenues Report
3. Treasurer's Report

Fund 10 General Fund with a beginning balance of \$34,049,475.02, receipts of \$3,081,954.01, disbursements of \$(4,438,652.61), leaving a balance of \$32,692,776.42.

Fund 32 Capital Reserve Fund with a beginning balance of \$3,128,909.73, receipts of \$1,061.00, disbursements of \$(81.00), leaving a balance of \$3,129,889.73.

Fund 37 Capital Projects with a beginning balance of \$109,711.84, receipts of \$23.27, disbursements of \$0, leaving a balance of \$109,735.11.

Fund 51 Food Service Fund with a beginning balance of \$324.60, receipts of \$146,110.66, disbursements of \$(146,993.04), leaving a balance of \$(557.78).

4. EIT Report
5. Activity Fund Report
6. Comparison of Prior Year to Current Year Budget to Actual Expenditures by Object Report

6. Old Business

7. New Business

W. Dellicker said the memorial committee is doing a veteran's memorial at Ontelaunee Park and said there is a huge bronze eagle that will greet the visitors at the entrance. He said they asked the school if they would conduct a contest with students to name the eagle to get the kids involved with the project. He said when it gets dedicated on Memorial Day they will name the winner of the student.

8. Communications

10.01 Courtesy of the Floor

Jesse Maurer, Weisenberg Township, said thank you for the good news.

Jonathan Wozniak, Lowhill Township, said it was welcomed news to hear the announcement.

Kate Liedig, Lynn Township, asked about the new tracker and if it has been updated. J. Holman said it is updated on the website, is real-time, and can be checked anytime.

J. Holman said our goal the entire time was to keep kids in school as often as we can and not disrupt their education. She said moving forward we hope we can keep the education intact and also keep staff and students in school safely.

Michael Way, Weisenberg Township, asked about next steps for his son to return to school. J. Holman said if he doesn't meet the screener he should not attend school and said he should also follow up with the nurse in the morning.

11. Adjournment

Upon motion by R. Scheffler, seconded by L. Hunsicker, the meeting was adjourned at 9:24 PM.

Respectfully submitted,

John Casciano, Secretary
By S. Eisenhard, Assistant Secretary