

## **MINUTES OF THE MARGARETTA BOARD OF EDUCATION (BOE) REGULAR MEETING OF APRIL 17, 2023.**

Margaretta Board of Education met in regular session at 6:30 p.m. on Monday, April 17, 2023 at the Margaretta Board of Education, 305 S. Washington Street, Castalia, Ohio.

### **Regular Board Meeting**

Mr. Sutorius, Board President, then called the regular meeting to order at 6:30 p.m. requesting roll call by Mrs. Keegan:

Mr. Hula:	Present.
Mr. Schoenegge:	Present
Mrs. Tucker:	Present
Mr. Warner:	Present
Mr. Sutorius:	Present

The Pledge of Allegiance was then recited after roll call.

### **Approval of the Minutes**

Motion by Mr. Warner, and seconded by Mr. Hula, to approve the minutes from the Special BOE Meeting held on Wednesday April 5, 2023; Roll Call: Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, and Mr. Sutorius: aye.

### **Board and Staff Reports**

#### **Townsend Community School's (TCS) Report and TCS Margaretta Sponsor's Report**

Mr. Ryan Bohn, TCS Principal and Superintendent, was excused from the meeting and Mr. Kurt stated that we will include Mr. Bohn's monthly report in the board's weekly update and attached them to the official minutes.

Mr. Steve Keller, TCS Compliance Officer, stated that we had our monthly TCS/Margaretta meeting to review current events. He also stated that Margaretta will be working with TCS to complete a second site visit, but unlike previous years, there is no need to upload it in Epicenter this year.

### **Public Participation**

Mr. Gary Smith sent an email prior to the board meeting asking to speak during public participation, so he was officially added as an item on the agenda. Mr. Gary Smith read a prepared statement about his frustration and the handling of him being pulled from the Rachel Wixey substitute teaching and aiding list for Margaretta back in January. He then recapitulated his face-to-face conversation with Mr. Kurt in his meeting on March 8<sup>th</sup> and his perspective of their meeting. Mr. Gary Smith also spoke of his investigation of a Margaretta personnel matter and that he had written the board on March 24<sup>th</sup> about his opinion and concerns about the matter and stated that he hadn't heard back. Mr. Smith reiterated that he is frustrated and upset and wanted to go on the record for the board meeting.

Then Mr. Clayton Sosa, spoke and stated that he was specifically at the board meeting to show his support of Mr. Gary Smith and that Mr. Sosa was a Margaretta graduate and knew Mr. Smith from the church breakfasts before school, the 'pray at the pole' before school and from Mr. Smith

helping with the Margaretta Baccalaureate Graduation Service. Mr. Sosa spoke of his support and his opinion of Mr. Smith's character.

Mr. Gary Smith then asked, given we are on a hard pause with the school facility project, is there any concern of the ELPP OFCC 38% share of the project being in jeopardy. Mrs. Keegan stated that we have posed that question to OFCC and that the financing is out of the districts control, due to Lorain County Auditor, Snodgrass' appeal. We are waiting on an answer from OFCC, however she did state that we had an obligation to show forward progress on the new building within 12 months of being awarded the 38% OFCC share. And that the district did receive confirmation that with the design of the building, hiring our CMaR, Owner's Rep, and performing site and utility work that we had demonstrated the necessary forward progress to stay locked in at the 38%. This confirmation was before the two rounds of appeals by Auditor Snodgrass, therefore we are asking the question again and awaiting the OFCC confirmation.

### **Introduction of Additional Items to the Agenda**

Mr. Kurt stated that we had no additional items.

### **The Financial Report and Schedule of Bills**

Mrs. Keegan presented the schedule of bills, bank reconciliations, fund balances, etc., that were included in the Board's packages for review. Mrs. Keegan stated that the revenue through March results (with 75% of the fiscal year completed) was a total of \$15.0M and expenses of \$14.3M resulting in an increase to the general fund balance of \$651,053. The beginning cash balance in the total general fund as of July 1, 2022 was \$631,329 and the nine months into the fiscal year generated a final General Fund cash balance of \$1,282,381 (or \$338,132, without the general fund reserve of \$944K). Mr. Elmer Lippert asked what the Nexus tax payment volatility has done to the district and how much Nexus owes us due to their short payments, if the settlement stays at 58% of the tax billed amount. Mrs. Keegan stated that if the final Nexus settlement is at 58% of the tax billed, Nexus would still owe us \$2.7M in past years taxes. Mrs. Keegan highlighted that our tangible personal property taxes were lower by \$(1,271,049) from this time last fiscal year. This loss of \$(1.3)M in tax revenue is directly correlated with Nexus' tender payment in 2023 1<sup>st</sup> half taxes compared to 2022 1<sup>st</sup> half tax payment. Mrs. Keegan explained that last spring Nexus paid 66% of the county taxes billed amounts, given the Tax Commissioner's Nexus settlement being eminent (settlement was officially reached in June 2022). However now that Mr. Snodgrass has appealed the Tax Commissioner and Nexus settlement at 58% of the tax bill and appealed to the BTA and then did a second appeal up to the Supreme court, Nexus has exercised it's legal right to pay us at the appealed level of only 40% of Nexus actual tax bill. Nexus tax payment to Margaretta was \$(1.3)M lower due to their payment going down to the 40% versus last year paying at 66%. Mrs. Keegan stated that this is making it very difficult to manage the finances of the district with this type of volatility in our revenue. She went on to state that this has made it financially impractical to transfer the full 75% of the nexus 1<sup>st</sup> half tax payment to the reserve for the building of the new facility. The additional transfer to the new facility reserve should have been approximately \$0.5M, which is now staying in the general fund. She stated in addition, she has a resolution for the board to approve the transfer of \$900K of the General Fund reserve back into the General Fund to cover the cost to run the day to day operations of the district. She also reminded the board that we have not had any new operating tax levies since 2010 and that economics from 2010 to current have been a steady increase in cost. She stated that even with our budget cost savings (not backfilling all positions with replacements, etc.), our

operating costs are still increase from year to year due to not being able to overcome the annual inflationary effects on our costs.

## **Treasurer's Report**

### **New Business**

Motion by Mrs. Tucker seconded by Mr. Warner, on Resolution number 22-23-66, to approve a contract with North Point Educational Service Center (NPESC) for services of Developmental Disabilities programs for the 2023-2024 School Year; Roll Call: Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, Mr. Schoenegge: aye, and Mr. Sutorius: aye.

Motion by Mr. Hula seconded by Mrs. Tucker, on Resolution number 22-23-67, to approve a contract with (NPESC) for the 2023-2024 Multi-Agreement Cooperative Contract; Roll Call: Mr. Warner: aye, Mr. Hula: aye, Mr. Schoenegge: aye, Mrs. Tucker: aye, and Mr. Sutorius: aye.

Motion by Mr. Warner seconded by Mr. Schoenegge, on Resolution number 22-23-68, to authorize the Treasurer to make Inter-Fund Transfers of funds for the funds for the current fiscal year of 2023; Roll Call: Mr. Hula: aye, Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, and Mr. Sutorius: aye.

Motion by Mrs. Tucker seconded by Mr. Hula, on Resolution number 22-23-69, to approve the renewal contract with the Erie County Health Department to provide nursing services to the district for the 2023-2024 School Year; Roll Call: Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, and Mr. Sutorius: aye.

Motion by Mr. Warner seconded by Mr. Hula, on Resolution number 22-23-70, to approve expenditures that have exceeded the \$3,000 threshold of the "then and now" provisions of Ohio Revised Code Section 5705.41(d); Roll Call: Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, Mr. Schoenegge: aye, and Mr. Sutorius: aye.

## **Superintendent's Report**

### **Informational**

Nexus update – Mr. Kurt reiterated to the board that Lorain County Auditor, Snodgrass did appeal again to the next level court, The Supreme Court and it has yet to be added to their docket. He stated that our legal counsel, Bricker and Eckler, stated that if Auditor Snodgrass losses at the Supreme Court that he would not be able to take it to the Appellate Court. He stated the site and utility work has been completed. He stated that Mosser has pulled two of their three trailers off the site and plan to leave the third one onsite. The team is continuing to look at all options for the project to continue, however at the date of the board meeting the project is currently on a hard pause. Someone in the crowd asked if we had any legal recourse for the harm that has occurred against Margaretta, due to all the appeals and extensive delays. Mr. Kurt stated that we have presented the details of our situation and how we have been harmed by these delays to multiple attorney offices. The legal firms have stated that we have no basis for a lawsuit. There was discussions about the age of our buildings and some of the repairs that have been needed and discussions about the age, lack of handicap accessibility in our multi leveled current schools, and the safety of our old buildings. Mrs. Tucker and Mrs. Keegan stated that we have done several improvements to our existing buildings through the writing of grants. They stated that we have put bullet resistant film on the schools windows, have a secured perimeter at each of the school buildings, we have added emergency two-way radios in the classrooms, bought Stop-the-Bleed bags that are strategically place in each of the

buildings, etc. So we have been updating the existing buildings to protect our kids and have been able to cover the majority of the costs with local grants.

Biennium Budget - BASA Exec. Mtg. – Mr. Kurt stated that the Governor’s budget is out and it appears to be focused on the Science of Reading and school security. Mr. Kurt also stated that they are looking at the Online Sports Betting and it may benefit the schools.

We have also been told that the budget will include \$94,500 for SRO’s per building adjusted to each district’s state share. Therefore, with Margaretta at a 29% state share, we would only be receiving approximately \$27,400 or a total of \$54,800 for the district. Mrs. Keegan stated that the two SRO’s in the district are costing approximately \$150,000 per year that is currently being paid out of the general fund. Mr. Kurt also stated that he and other local schools have asked for potential help covering the SRO costs from the Erie County Commissioners, he received an indirect response that the Commissioners were probably not going to support the initiative.

#### Personnel Actions

Motion by Mr. Warner seconded by Mr. Schoenegge, to approve FMLA and unpaid leave requests; Roll Call: Mr. Warner: aye, Mr. Hula: aye, Mr. Schoenegge: aye, Mrs. Tucker: aye, and Mr. Sutorius: aye.

#### Certified

Motion by Mr. Hula and seconded by Mrs. Tucker, to hire Logan Harris, Mathematics teacher, for the 2023-2024 school year; Roll Call: Mr. Hula: aye, Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, and Mr. Sutorius: aye.

Motion by Mr. Schoenegge seconded by Mrs. Tucker, the retirement of Thomas Pope effective at the end of the 2022-2023 school year; Roll Call: Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, and Mr. Sutorius: aye.

Motion by Mr. Warner seconded by Mr. Schoenegge, to hire Samantha Lane as the JV Softball coach for 2022-2023 season; Roll Call: Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, Mr. Schoenegge: aye, and Mr. Sutorius: aye.

Motion by Mrs. Tucker seconded by Mr. Warner, to hire Chase Paczak as the Elementary music teacher for the 2023-2024 school year; Roll Call: Mr. Warner: aye, Mr. Hula: aye, Mr. Schoenegge: aye, Mrs. Tucker: aye, and Mr. Sutorius: aye.

#### Classified

Motion by Mr. Hula seconded by Mr. Schoenegge, to hire Peggy Young, as a substitute Special Educational Aide for the 2023-2024 school year; Roll Call: Mr. Hula: aye, Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, and Mr. Sutorius: aye.

Motion by Mr. Warner seconded by Mr. Hula, to approve the resignation of Ashley Elber, JV Softball coach, effective April 10, 2023; Roll Call: Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, and Mr. Sutorius: aye.

Motion by Mr. Warner seconded by Mrs. Schoenegge, to hire Tom Barnes, Groundskeeper/Maintenance position, effective April 17, 2023; Roll Call: Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, Mr. Schoenegge: aye, and Mr. Sutorius: aye.

Motion by Mr. Warner seconded by Mr. Hula, enter Executive Session to discuss the appointment, employment, dismissal, discipline, promotion or compensation of public employees; Roll Call: Mr. Warner: aye, Mr. Hula: aye, Mr. Schoenegge: aye, Mrs. Tucker: aye, and Mr. Sutorius: aye.

The Board entered Executive Session at 7:27 p.m. with Mrs. Keegan, and Mr. Kurt remaining in the Executive Session.

Motion by Mrs. Tucker, seconded by Mr. Schoenegge, to return to open session; Roll Call: Mr. Hula: aye, Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, and Mr. Sutorius: aye.

Motion by Mr. Hula seconded by Mr. Warner, to adjourn the meeting having no further business to come before the Board; Roll Call: Mr. Schoenegge: aye, Mrs. Tucker: aye, Mr. Warner: aye, Mr. Hula: aye, and Mr. Sutorius: aye.

Adjourning at 8:15 p.m.

Next Regular Meeting will be Monday, May 15, 2023 at 6:30 p.m. at the Margaretta Board of Education, 305 S. Washington Street Castalia, Ohio.

Respectfully Submitted

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Brian Sutorius  
Board President

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Diane Keegan  
Treasurer