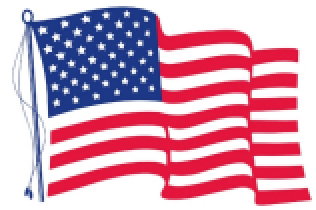
Lehighton Area School District
Administration Building - Board Room
1000 Union Street, Lehighton, PA 18235
July 6, 2026 at 7:00 PM - Special Board Meeting



1. Opening Exercises

1.1. Call to Order
Board President, A. Matika called the Board Meeting to order at 7:03 PM.

1.2. Opening Exercises
Opening Exercises included the Pledge of Allegiance and a moment of silence.

1.3. Roll Call
PR/AB

AB	**Ms. Joy Beers**	**PR**	**Mr. Jeremy Glaush**	**PR**	**Mr. Alex Matika**
PR	**Mr. David Bradley**	**PR**	**Ms. Denise Hartley**	**PR**	**Ms. Heather Neff**
PR	**Mrs. Lory Frey**	**PR**	**Mr. William Howland**	**PR**	**Mr. Timothy Tkach**

Also Present:
Mr. Jason Moser, Superintendent
Mr. Matthew Lentz, Business Administrator present via Google Meet
Ms. Janine Partenio, Board Recording Secretary

Walter Zlomsowitch, Barbara Bowes, Ryan Bowman, Roy James, Autumn Abelovsky, Jordan Cook, Jarrad Hedes and Atty. Jeffrey Sultanik via Google Meet.

1.4. Purpose of Special Board Meeting
As per the advertisement in the Times News on Friday, June 26, 2026: "Notice of Special Meeting and Notice of Intent to Adopt Final Annual 2026-2027 Budget

As provided in 53 P.S. 6926.311(a) and 24 P.S. §6-687, each board of school directors is required to adopt a proposed annual budget at least thirty days prior to adopting that annual budget. In conformity therewith, notice is hereby given that the Board of School Directors of the Lehighton Area School District has previously adopted its Proposed Annual Budget for the 2026-2027 school year at its regularly scheduled meeting held on May 26, 2026 and now intends to adopt the Annual Budget for the 2026-2027 school year at a **Special Board Meeting to be held on July 6, 2026 at 7:00 P.M**. in the Administration Building Board's meeting room located at 1000 Union Street, Lehighton, PA . The purpose of this meeting is to consider and adopt the annual budget and to address any other matters before the Board at that time. This meeting is open to the public and all members of the public are invited and encouraged to attend.

The previously posted Proposed Annual Budget contains estimates of revenues and expenditures as well as the proposed tax rates for the 2026-2027 school year. Copies of the Proposed Annual Budget have been and continue to be available for public inspection on the School District's website (*https://www.lehighton.org/departments/business-office/budgets/2026-2027-general fund-budget*) and at the Lehighton Area School District's business office,1000 Union Street, Lehighton, PA 18235."

1.5. Public Comment - *Only on the Board's Proposed Approval of the Agenda as Presented or as Modified*
Public comment will only be permitted to discuss whether or not an item currently listed on the draft agenda that has been posted should be on the agenda or off the agenda. No discussion on the substance of the agenda item will be permitted since the discussion will be exclusively limited to whether or not an item should appear on the agenda.

During the initial public comment period, Director D. Bradley formally objected to the exclusion of his proposed zero-percent tax increase agenda item from the evening's agenda, asserting that the exclusion infringed upon his constitutional rights and that the district's growing fund balance negated the need for a tax increase.

1.6. Approval of Agenda
MOTION by D. Bradley, SECONDED by J. Glaush, to amend the agenda to include an alternative 2026–2027 general fund budget utilizing the PDE-2028 format, which proposed revenues of $51,463,653, expenditures of $51,462,855, and maintaining property taxes at 51.86 mills.

Public and board discussion ensued regarding the proposed amendment:

- B. Bowes questioned the timeliness and transparency of the alternative submission, noting that the board had not been provided adequate opportunity or documentation to review the figures, and highlighted that previous fund balance increases were influenced by federal COVID-19 relief funds.
- D. Bradley maintained that the proposal utilized identical expenditure amounts while utilizing the reserve balance to avoid a tax increase on taxpayers.
- J. Moser and Business Manager M. Lentz clarified the district's recent financial history, explaining that the district incurred an operational deficit in the previous fiscal year driven by mandatory special education placement costs, rather than maintaining an unassigned surplus.
- T. Tkach requested to call the question on the pending motion.
- L. Frey stated that the numbers presented in the alternative proposal appeared altered from the original administration budget and noted a lack of opportunity for administrative verification.
- R. Bowman spoke against a proposed 3.5% tax increase, advocating for the utilization of reserve funds to lessen the financial burden on community residents and seniors.
- D. Hartley expressed that budget decisions must balance the financial needs of the overall community, noting that while tax increases are difficult, the board must consider the long-term impact on the entire district.

Roll Call Vote for Alternate Agenda:

	Yes	No	Absent	Abstension
Ms. Denise Hartley, Member	X	0	0	0
Mr. William Howland, Member	0	X	0	0
Ms. Heather Neff, Vice-President	0	X	0	0
Mr. Timothy Tkach, Member	0	X	0	0
Ms. Joy Beers, Member	0	0	X	0
Mr. David Bradley, Member	X	0	0	0
Ms. Lory Frey, Treasurer	0	X	0	0
Mr. Jeremy Glaush, Member	X	0	0	0
Mr. Alex Matika, President	0	X	0	0

Vote: YES - 3 NO - 5 ABSENT - 1 ABSTENTIONS - 0

Motion Failed

A. Matika called for a vote to approve the agenda as originally presented.

MOTION by H. Neff, SECONDED by T. Tkach, to approve the agenda as presented.

YES - 7 NO - 1 ABSENT - 1 ABSTENTIONS - 0

D. Bradley voted "no" and voiced a formal objection regarding board policy and the handling of director agenda submissions.

Motion Passed

A. Matika clarified that board agenda items are governed by board policy and majority action rather than unilateral presidential direction.

1.7. Public Comment - *Traditional Public Comment Period on Agenda Items Only*
R. James urged the board to avoid raising taxes, citing existing fund balances and ongoing cost-reduction initiatives—such as bringing Behavioral Health Associates (BHA) students back in-house, streamlining curriculum, and managing early retirements—as means to absorb near-term deficits and allow time to evaluate future financial trends. W. Zlomsowitch voiced support for a tax increase, arguing that maintaining a reasonable fund balance is necessary for daily operational expenses (averaging over $4 million monthly) and unexpected expenditures. He criticized prior tax reductions and past board spending practices that depleted district reserves. D. Bradley advocated for a zero-percent tax increase budget, stating that static expenditure projections and sufficient general fund reserves eliminated the need to collect additional tax revenue from property owners.

J. Moser directed several financial inquiries to Business Manager M. Lentz. M. Lentz confirmed that the general fund balance stood at approximately $10.4 million at the start of the 2025–2026 fiscal year, with an additional $3.06 million in the capital reserve fund. M. Lentz estimated an anticipated operating deficit of $1.5 million to $1.7 million for the 2025–2026 fiscal year, primarily driven by out-of-district BHA special education placements and unbudgeted retirement incentive payments. J. Moser noted that taking these projected deficits into account would leave the entering 2026–2027 general fund balance at approximately $8.7 million, down from a peak of $15.2 million three years prior, reflecting three consecutive fiscal years of operating deficits.

D. Bradley inquired as to the timeframe required for the business office to produce a formal zero-tax-increase budget using general fund reserves to offset revenues without altering expenditures. M. Lentz explained that while the adjustment involves a mathematical calculation, formal presentation requires entering data into the Pennsylvania Department of Education’s CFRS system, coordinating with legal counsel regarding statutory advertising requirements, and adhering to board and state procedural guidelines. President A. Matika noted that the allotted time for the discussion had expired and transitioned the meeting forward to Item 2.1 on the agenda.

2. Action Items

2.1. Resolution Ratifying and Readopting the 2026-2027 General Fund Budget and Tax Resolution
MOTION by W. Howland, SECONDED by H. Neff, TO APPROVE THE ATTACHED RESOLUTION OF THE BOARD OF DIRECTORS OF THE LEHIGHTON AREA SCHOOL DISTRICT RATIFYING, CONFIRMING, AND READOPTING THE 2026-2027 GENERAL FUND BUDGET IN THE AMOUNT OF $51,512,855 IN EXPENDITURES AND $51,443,380 IN REVENUES, TOGETHER WITH THE 2026-2027 TAX RESOLUTION LEVYING A REAL ESTATE TAX AT THE RATE OF 53.6751 MILLS, AND MAKING CERTAIN FINDINGS OF FACT AND CONCLUSIONS OF LAW REGARDING COMPLIANCE WITH SECTIONS 671, 687, AND 688 OF THE PENNSYLVANIA PUBLIC SCHOOL CODE OF 1949, AS AMENDED, AS PRESENTED.

A. Matika asked for comments or questions. D. Bradley questioned Business Manager M. Lentz regarding the feasibility and administrative timeline of producing a zero-percent tax increase budget utilizing general fund reserves to cover the deficit. M. Lentz explained that substituting tax revenue with fund balance draws would require recalculating homestead/farmstead exclusions and tax bills, producing a revised PDE-2028 form, and fulfilling statutory advertising and procedural guidelines, which could not be instantly completed during an active meeting. D. Bradley suggested postponing the vote to explore a zero-percent tax increase.

Atty. J. Sultanik advised the board that the district was in technical non-compliance with the Pennsylvania Public School Code for failing to adopt a final budget by the statutory deadline of June 30, 2026. He strongly recommended that the board vote to adopt a budget during the meeting to restore statutory compliance and avoid further administrative delay, while noting that selecting the specific tax rate remained within the board’s legal authority. In response to inquiries from D. Hartley, M. Lentz elaborated on the financial rationale behind recommending a 3.5% tax increase, explaining that relying on one-time fund balance drawdowns creates a structural deficit spending pattern that compounds year-over-year under Act 1 index constraints, whereas the recommended 3.5% increase provides long-term fiscal sustainability amid rising costs for special education placements, charter school tuition, health care, and contractual obligations.

MOTION by D. Bradley, SECONDED by J. Glaush, to amend the pending motion by adjusting the budget source revenues to reflect a zero-percent tax increase and utilizing general fund reserves to cover the resulting revenue shortfall, without altering budgeted expenditures.

Atty. J. Sultanik noted for the record that while the board could legally vote on the proposed amendment, the motion as framed did not technically conform to Section 687 of the Public School Code due to the requisite procedural and line-item documentation requirements.

During public comment on the amendment, B. Bowes spoke against the amendment, asserting that previous tax rate reductions depleted general fund reserves and created repeated structural revenue shortfalls in subsequent fiscal years. R. Bowman spoke in support of utilizing reserves to prevent an immediate tax increase on community property owners.

Roll Call Vote for Amended Budget:

	Yes	No	Absent	Abstension
Ms. Heather Neff, Vice-President	0	X	0	0
Mr. Timothy Tkach, Member	0	X	0	0
Ms. Joy Beers, Member	0	0	X	0
Mr. David Bradley, Member	X	0	0	0
Ms. Lory Frey, Treasurer	0	X	0	0
Mr. Jeremy Glaush, Member	X	0	0	0
Ms. Denise Hartley, Member	0	X	0	0
Mr. William Howland, Member	0	X	0	0
Mr. Alex Matika, President	0	X	0	0

Vote: YES - 2 NO - 6 ABSENT - 1 ABSTENTIONS - 0

Motion Failed

Following the failure of the proposed amendment, President A. Matika called for a roll call vote on the main motion to adopt the resolution ratifying, confirming, and readopting the 2026–2027 general fund budget and tax resolution as presented.

Roll Call Vote for Ratifying The Budget As Presented:

	Yes	No	Absent	Abstension
Ms. Heather Neff, Vice-President	X	0	0	0
Mr. Timothy Tkach, Member	X	0	0	0
Ms. Joy Beers, Member	0	0	X	0
Mr. David Bradley, Member	0	X	0	0
Ms. Lory Frey, Treasurer	X	0	0	0
Mr. Jeremy Glaush, Member	0	X	0	0
Ms. Denise Hartley, Member	X	0	0	0
Mr. William Howland, Member	X	0	0	0
Mr. Alex Matika, President	X	0	0	0

Vote: YES - 6 NO - 2 ABSENT - 1 ABSTENTIONS - 0

Motion Passed

2.2. Homestead/Farmstead Exclusion Resolution

MOTION by H. Neff, SECONDED by L. Frey, TO APPROVE THE ATTACHED RESOLUTION OF THE BOARD OF DIRECTORS OF THE LEHIGHTON AREA SCHOOL DISTRICT RATIFYING, CONFIRMING, AND READOPTING THE 2026-2027 HOMESTEAD AND FARMSTEAD EXCLUSION RESOLUTION AUTHORIZING HOMESTEAD AND FARMSTEAD EXCLUSION REAL ESTATE TAX ASSESSMENT REDUCTIONS PURSUANT TO THE HOMESTEAD PROPERTY EXCLUSION PROGRAM ACT (ACT 50 OF 1998) AND THE TAXPAYER RELIEF ACT (ACT 1 OF 2006), AS PRESENTED.

Vote: YES - 8 NO - 0 ABSENT - 1 ABSTENTIONS - 0

Motion Passed

3. Communications

3.1. Board Comment

Opportunity for Board members to offer comments related to the agenda items.

J. Glaush requested a monthly log of all communications between board officers, board members, and the board solicitor. He also recommended restructuring future board meeting agendas to prioritize key business items earlier in the meeting to maintain public engagement, while keeping student reports at the beginning and moving routine committee reports toward the end. D. Bradley noted that agenda structure is controlled by board leadership and expressed support for sharing legal communications with the entire board.

B. Bowes clarified that meeting order and structure are governed by Board Policy 006, requiring a formal policy change to alter. President A. Matika agreed to bring the agenda structure topic to an upcoming workshop meeting for review.

D. Hartley and L. Frey discussed attorney billing logs, noting that detailed descriptions of phone calls and inquiries are itemized on weekly legal invoices provided to the board. Atty. J. Sultanik clarified that he had not engaged in private conversations regarding the budget adoption process with individual board members or the board president, stating that recent communications occurred exclusively with the superintendent to draft the required budget resolutions. He confirmed that legal responses are distributed in accordance with board policy, accounting for standard policy exclusions.

3.2. Public Comment
W. Zlomsowitch noted the community's shared confidence in the administration and business manager, referencing the historical administrative hiring and contract extension decisions made by the board.

3.3. Adjournment
MOTION by J. Glaush, SECONDED by W. Howland, to adjourn the Meeting.

YES - 8 NO - 0 ABSENT - 1 ABSTENTIONS - 0

The July 6, 2026 Special Board Meeting was adjourned at 8:10 PM.

Respectfully Submitted,

Rebecca Karpowicz, Board Secretary
By Janine Partenio, Recording Secretary