

NESHAMINY SCHOOL DISTRICT
Langhorne, Pennsylvania

PUBLIC BOARD MEETING MINUTES
(WORK SESSION)
NESHAMINY BOARD OF SCHOOL DIRECTORS
February 10, 2004

The Neshaminy Board of School Directors met in public session on February 10, 2004, in the Board Room at Maple Point Middle. The following persons were in attendance:

BOARD MEMBERS:

Mr. Richard M. Eccles, President
Dr. William H. Spitz, Vice-President
Mrs. Sue C. Barrett
Mrs. June R. Bostwick
Mr. Jason Bowman
Mrs. Susan Cummings
Ms. Carol A. Drioli
Mrs. Kimberly A. Jowett
Mr. Ritchie Webb

ADMINISTRATORS:

Mr. P. Howard Wilson
Dr. Raymond J. Boccuti
Dr. Sandra Costanzo
Mr. Harry P. Jones
Mr. Richard S. Marotto
Mr. Joseph V. Paradise
Mr. Bruce M. Wyatt

OTHERS: Approximately 25 persons from the public, staff and press

SECRETARY: Mrs. Anita E. Walls

SOLICITOR: Thomas J. Profy, III, Esquire

I. **Call to Order**

Mr. Eccles called the meeting to order at 7:00 p.m.

2. **Pledge of Allegiance**

Mr. Eccles requested those in attendance join in the salute to the flag.

3. **Announcements**

No Announcements.

4. **Public Comment**

Mr. Solis Basen, Langhorne, PA thanked the Board for all their efforts. Many hours have been spent to resolve the issues regarding the new high school. No one can say that the Board did not try. Mr. Basen again thanked every Board member.

Mr. Walt Angney, Flowers Mill, Langhorne, PA stated that he is a born and bred Pennsylvanian, and loves the state and Bucks County and all the amenities it has to offer, however, he is leaving Bucks County since he needs tax relief. Other friends and neighbors are also seriously considering moving from Flowers Mill. Mr. Angney states the problem is obvious. Mr. Angney stated that the Kiplinger report has rated all fifty states in regards to being tax friendly to senior citizens. The state of Delaware is number one and Pennsylvania is number forty-nine. The first \$12,500 income of the husband and wife are not taxed in Delaware. Mr. Angney is having a home built and the estimated taxes are \$1,600 per year. After one year

of residency in Delaware anyone over 65 receives an \$800.00 credit. There is no sales tax in Delaware. Insurance on automobiles is at least one-third less expensive.

Mr. Mel Gindin, Langhorne, PA requested clarification regarding a newspaper article dated February 8, 2004, which was very misleading to the public. Mr. Gindin noted that the Board had promised to make public exact costs of the building. Mr. Gindin provided Board members with a printout of figures he worked up. Mr. Gindin hopes that when the Board publicizes the figures it will provide in the newspaper the information that the community can make an intelligent decision. Mr. Gindin stated the following:

- Current operating budget is 526 mils.
- Bond of \$25M adds 9.7 mils to the total budget.
- Bond of \$95M adds 26.9 mils to the total budget.
- Average home assessed at 6770, 36.6 mils adds \$243.00 to the tax bill not counting the operating budget.
- Home assessed at 9500 tax bill for bond issue alone is approximately \$342.00, excluding the operating budget.
- The operating budget increases every year will be added on to the millage rate.

Mr. Gindin hopes that the figures are printed that the general public understands that the bond issue is a separate issue, it will be a fixed cost for 25 years and whatever the operating budget expenses are will be in addition to the \$95M bond issue.

Mr. Howard Lindner, Langhorne, PA stated that true democracy calls for independent and even conflicting opinions. Mr. Lindner spent five hours on Sunday speaking with taxpayers in the Hoover area. Many taxpayers find it deplorable that on Tuesday, February 3, 2004, the School Board members Spitz, Bostwick, Jowett, Drioli and Eccles voted for the artificial, creative, one time administrative assistant position at the Hoover Elementary School. In October 2002 the official Hoover School enrollment was 659 students and in January 2004 the official Hoover enrollment is 667 students and that the school year started with 668 students and one was lost. Last week the five board members voted for a \$20,000 part-time administrative assistant for an increase of 8 students over a two year period. Hoover is projected for 640 students next year. Mr. Lindner believes that Hoover had no additional help the three school years prior to the 2002-2003 school year when a teacher on special assignment was hired and cut by Superintendent Wilson after the year ended. Hoover is now the only Neshaminy elementary school to have an administrative assistant. The Bucks County Courier Times article of February 4, 2004, states Superintendent Wilson said the position was needed because more students enrolled in Hoover this September than was projected and Principal Stanford needed help. The taxpayers say if true why was a person not hired in September. Board members Jason Bowman, Ritchie Webb and I know the real reason for the creation of this job. Mr. Lindner believes that Board members, Barrett and Cummings, may also know the reason. Mr. Lindner can only say "Thank you" to Bowman, Webb, Barrett and Cummings for looking out for the taxpayer, and Mr. Lindner hopes that they continue to guide this Board to more integrity and credibility than the last Board.

Mr. Sy Goldstein, Langhorne, PA stated he is confused about the figures. The Act 34 hearing booklet states that each mil brings in \$185,367. If the District had a 26 mil increase it would amount to \$4,819,542 per year. If the bond runs for 24 years because the first two years combined are a total of one year, total \$115,669,000, but according to the book the net fiscal debt service after capitalized interest it taken off and after the state reimbursement is taken off totals \$147,600M. There is a discrepancy of \$32M, which are not being collected. Mr. Goldstein wondered whether any Board member could explain.

Dr. Spitz responded that the bond issue will be a wrap around issue involving "wrapping" the debt around the District's existing debt. Existing bonds outstanding will end around 2013. Dr. Spitz advised that costs

are being delayed for this project to 2014 and beyond. Taxpayers then will be picking up a good portion of the costs of the bond. Dr. Spitz feels that it is a perfectly legitimate financing option. The District does not want to overburden people today with all the increase in taxes for a building that will last for 50 years or more. Wrap around delays many of the expenditures until the end of the current bond issues, which expire in 2013-2014.

Ms. Drioli inquired whether a Board member can obtain a list of all the people that have been brought back after retirement and for what reason. Mr. Drioli also requested a list of all the people who were here at the time and their children, grandchildren, daughter-in-laws, perspective daughter-in-laws, etc. were hired during their tenure. Ms. Drioli noted that other people have been brought back out of retirement for various reasons and needs, and she does not think we would address a problem in September until the District felt it actually was one.

Mr. Profy advised that the lists are part of each Board packet. The information does exist and it is an administrative function to compile same and provide an effective report.

Mr. Wilson stated that all Board members will be provided with a copy for 10-12 years.

Mrs. Barrett requested that at the time the hiring list is presented if it is known that there are husbands, wives, relatives on the list, the Board needs a memo stating same.

Mr. Wilson noted that Mr. Jones is prepared on all future personnel reports to put an asterisk by the name of everyone who is on the report who has a relative in the School District.

Mr. Webb noted that anyone in a supervisory position or Board member has the ability to run interference for the perspective employee providing favorable treatment.

Mr. Wilson noted that there is nothing wrong or illegal about the people being recommended for employment. The Administration will so note that if the Board is interested.

5. **Items for Approval**

a) **Board Policies – Revised Board Policy #505 – Discipline and Board Policy #617 Opening Exercises/Flag Displays**

Mr. Bowman advised that the Discipline Policy had an addendum added regarding concurrence of students in extra-curricular activities with School Board violations. Under the advice of the solicitor it has been included as an actual Board policy. The student will be subject to removal from an extra-curricular activity if they violate a School Board policy.

Mr. Bowman advised that Policy #617 is part of the No Child Left Behind Act and it is all taken from the school code.

b) **Bids/Budget Transfers**

Information distributed prior to the meeting. Mr. Paradise reviewed the following bids:

Bid No. 05-01 General School Supplies

Bid Amount: \$69,234.22

Various classroom and office supplies for use throughout the District for the school year 2004-2005.

Mr. Paradise noted that the bid is dramatically less than last year due to the fact that the paper bid has been separated.

Bid 05-09 Copy Paper

Bid Amount: \$74,988.00

Paper for duplicating machines in various colors and sizes for school year 2004-2005.

Bid 05-07 Two (2) 48-Passenger Lift Buses

Bid Amount: \$155,484.00

Purchase of two (2) 48 Passenger lift buses for the transport of handicapped children.

Mr. Eccles inquired why the buses would not be under a lease/purchase agreement. Mr. Paradise responded that the only reason the District has any lease/purchase vehicles at all was that the Board got behind in buying buses for budgetary reasons, and the District was cited by the State Police and the District suddenly needed twenty buses. Hence, that is what got the District into the lease/purchase program.

The three bids and Budget Transfer Report No. 04-4 (Working Copy) will be presented for approval at the February 24th Public Meeting.

6. Superintendent's Report

Mr. Wilson advised that a request has been received from Lower Southampton Township for an exchange of tax information. Lower Southampton Township has initiated an earned income tax. The District will cooperate with Lower Southampton Township and exchange the information.

Mr. Wilson made a recommendation to the Board that in order to report the accurate information to the public regarding the high school project, the committees work through the Superintendent and Dr. Costanzo will provide a press release to the newspapers regarding the information. This will insure that the information is accurate and there will not be any confusion with interpretation.

Ms. Drioli requested that videotaping of the meetings begin at the next public meeting. Due to the large issues before this Board Ms. Drioli feels it necessary for the videotaping to begin. Ms. Drioli noted that there has not been a school district in the state that has had a referendum issue. Ms. Drioli feels that the majority of the public will watch the school board meetings.

Mr. Bowman agrees with Mr. Wilson that the information should be done through a press release, however, before the press release is provided to the public every member of the Board should have the opportunity to review same.

Mr. Eccles feels it is imperative that the numbers provided are accurate so that every member of the public can make an educated decision.

Mr. Wilson advised Mr. Webb that if he feels he needs a secretary at the Facilities and Finance Committee meetings the District can provide a confidential secretary.

Mr. Wilson advised Mr. Webb that another committee that makes many decisions and impacts the budget is the Educational Development Committee and information is disseminated by the Board Chair and the cabinet liaison to work together to prepare the press release.

There was Board consensus that the figures related to the high school project will be sent out by Mr. Wilson and Dr. Costanzo through the chairs of the committee with consensus of the Board.

Dr. Spitz was concerned about the time factor.

Mrs. Bostwick questioned what the cost is for buying the service for the \$25M bond issue. Mr. Webb advised that the costs will be discussed during the Finance/Facilities report. Mrs. Bostwick is concerned that the District is looking at two (2) bond fees which will translate into millions of dollars.

Mr. Eccles inquired whether it would be feasible to have the next Board meeting videotaped. Mr. Bowman noted that at the board policy committee meeting several issues arose:

- For what reason and when can the Board turn off the video cameras.
- When can the tape be edited.

Mr. Eccles questioned does the importance of getting the information out to the public outweigh some of the Board policy issues. Mr. Eccles feels at this point and time a camera is necessary to get the information to the public. Mr. Bowman stated that numbers can be put onto the cable channel without videotaping any meeting.

Mr. Profy stated that two points exist that provides the substance of a policy:

- The component of the meeting at which you are required to act privately i.e. personnel action, quasi hearing, etc.
- A majority vote of the members present decided that a portion or portions of the meeting that they do not want videotaped that is a right the Board will continue to have.

Mr. Marotto advised that if time is of the essence as the Board members are indicating, the Board policy is more than 99% completed. Mr. Marotto could have the working draft to the Board immediately.

Mr. Paradise advised that equipment has not been ordered at this time and mechanics are involved. The position was just advertised for the certified staff member that would be involved. Discussion ensued regarding the staff position needed for the videotaping.

Policy on Videotaping of School Board Meetings by the District was distributed to all Board members.

Mr. Bowman advised that the policy states that:

- Discontinue the videotaping of a meeting at any time by unanimous vote of the quorum in attendance at a particular public meeting.
- Upon advice from the District Solicitor, or other appropriate legal counsel, edit the videotape of a meeting prior to broadcast, in order to avoid possible legal liability to the Board, District and District employees.
- At the discretion of the District, portions of videotaped Board meetings may be edited for sound or visual content in order to comply with all standards and regulations of the Federal Communications Commission.

Dr. Spitz feels that if the solicitor states the Board should not be taping then one Board member should not be able to have the videotaping continue, hence it should not need to be an unanimous vote.

There was Board consensus to move forward with videotaping.

7. **Committee Reports**

a) **Board Policies**

Mr. Bowman advised that the videotaping policy was the only policy that required discussion.

b) **Educational Development**

Dr. Spitz advised that the next meeting will take place March 2, 2004 at 6:00 p.m.

c) Finance/Facilities

Mr. Webb will present his report after all the committee reports are concluded.

d) IU Board

Ms. Drioli advised that the IU Board will be discussing the fund balance.

e) Educational Foundation

Mrs. Cummings advised that a meeting was held on February 9, 2004. The alumni directory is being published by Harris. Letters were sent out to the graduates from the class of 1933 to the present. Directory will be ready for distribution Fall 2004. The foundation has planned two fundraising events for 2004. A raffle will take place this Spring and a Fifties Night in the Fall. Members of the foundation board read over fifty grant applications and awarded grants totaling \$13,500. Grants were awarded to every school in the District for class trips, guest speakers, and classroom materials and equipment that would not otherwise be funded by the regular school budget.

f) Technical School

Dr. Spitz advised that there is a continuing effort to try to attract more students into the Tech School. The administration was asked to determine a way to allow students who may be on a waiting list to get into the school if slots open.

g) Technology

Mrs. Jowett advised that a meeting will not take place until the Spring.

Finance and Facilities Report:

Mr. Webb advised the first challenge was to recommend a way to close the deficit or budget gap in the 2003-2004 budget of \$5.7M. The deficit consists of \$1.6M paid to ATS&R, repayment of a short term loan in the amount of \$2.2M used for capital improvements in 2001-2002, and \$1.9M for unbudgeted capital improvements needed, but not budgeted this past year.

Mr. Webb advised that there are some immediate capital improvements for Poquessing Middle School that are needed. The Committee would like to see \$5M earmarked to bring Poquessing to acceptable standards.

Mr. Webb suggested that a plan for capital improvements and emergency repairs by adding to the capital improvement fund the sum of \$14M to create a fund that will take care of the buildings for the next three to five years.

Mr. Webb advised that the total bond issue would amount to \$25M over a period of 20 years. Mr. Webb distributed a printout of the annual tax impact. A house with an assessment of 4,000 will have an increase of \$39 per year, a house assessed at 6,700 will have an increase of \$65 per year and a house assessed at 10,000 will have an increase of \$97 per year.

This is a separate bond from the high school bond and shall not be co-mingled with the high school bond. This bond will prevent future problems by maintaining the buildings.

Mr. Webb advised that the next challenge was to obtain a consensus on the amount of money that the high school project will cost. With the exception of the \$1.6M that was paid out of this year's school budget to ATS&R the projected costs based upon an estimate of \$89.8M to build the school, \$7.2M to buy down the rate and hire a construction manager arriving at the figure of \$97M.

The Committee will recommend that \$97M is the amount of money that the Board place on the referendum question. The cost of the project is roughly 26 mils and will cost the taxpayer the following:

Assessed value 4,000	Year 1 - \$34	Year 2 - \$68	Year 3 - \$102
Assessed value 6,700	Year 1- \$57	Year 2 - \$114	Year 3 - \$171
Assessed value 10,000	Year 1 - \$85	Year 2 - \$170	Year 3 - \$255

Mr. Eccles inquired whether the figures include the closing of Neshaminy Middle School.

Mr. Webb addressed the Neshaminy Middle School issue. Mr. Webb warned the Board that the public would not endorse the new high school if they did not believe the information delivered by the Board was accurate. Mr. Webb noted that no Board has firmly decided to close the school. Any savings are purely speculation. A rental income of \$1M is assumed. The rental is possible, however pure speculation. Furthermore, no Board may bind another Board to such an agreement. A future Board may wish to use rental money for another project.

Mr. Webb stated that even though the closing of Neshaminy Middle may reduce overall expenses in the District by roughly \$2.8M, it is in no way a reduction in costs to the new high school.

Dr. Spitz disagreed entirely with Mr. Webb's conclusions. Dr. Spitz noted that this Board and the past Board for months have been discussing the new high school issue and Neshaminy Middle has always been part of the package deal. No one on this Board would be supporting a new high school if it were not part of the package to close and rent the middle school. Dr. Spitz would not be supporting building a new high school. Closing Neshaminy Middle School is part of the plan and the savings would be approximately 15 mils by closing and renting the facility. This represents a net millage increase of 11 mils. Dr. Spitz believes it is misleading to the public that they will be paying \$171 for the next 25 years. Once the savings of closing the middle school are applied and consolidating the 9th grade the \$171 become \$75 on an annual basis. The net costs to the average homeowner will be \$75. Monthly that equals \$6.

Mr. Eccles agreed with Dr. Spitz regarding the closing of Neshaminy Middle. The building will require \$28M plus in repairs. Mr. Eccles stated that his position has been to let the voters decide, but he will not be a party to not including Neshaminy Middle into the figures.

Mr. Webb feels from an accounting point of view it is misleading to include Neshaminy Middle.

Discussion ensued regarding the closure of Neshaminy Middle. Mr. Bowman noted that the Board is attempting to sell a 9-12 building based on the assumption that Neshaminy Middle will close. The fact is that the school can close no matter what is built. If the majority of this Board believes that a new building is the only way to proceed, bring the costs down and consider a 10-12 building.

Mr. Eccles reminded Board members that there was consensus to move ahead with the way the plan was designed in the beginning.

Mr. Bowman is concerned that the community needs to know that if they choose not to proceed with this referendum on a 9-12 building that the District may still close Neshaminy Middle School.

Ms. Drioli stated that the people supporting the high school will be the parents of the students who are ready to matriculate to the high school, thereby closing the middle school but gaining a new high school. Ms. Drioli stated that referendum will decide the issue. The middle school will not be able to close if the high school project is not approved.

Ms. Drioli would like to see the current numbers to renovate the high school. The public needs to be aware of how close numbers are to building new and renovation.

Mr. Bowman does not want the public to think that the reason for building a 9-12 high school is because the District will be closing Neshaminy Middle. The savings can be offset in other projects.

There was Board consensus to move forward with the \$25M bond issue.

Mr. Paradise advised that four bond companies were invited to the next committee meeting to provide presentations to the Board members. The following companies were invited:

- RBC Dain Rauscher
- First American
- Wachovia
- Commerce Bank

Dr. Spitz added that the initial figure to be placed on the referendum question was \$96.5M and \$500,000 was added to the figure to account for a construction manager and help. The District did not want to provide for a full fledged construction manager who may charge 4%-5% of the project. However, everyone felt more comfortable adding in the \$500,000 to make sure someone was hired by the District and responsible directly to the District.

Mr. Eccles inquired whether there was Board consensus to have the amount placed on the referendum question be \$97M.

There was board consensus to have \$97M be the figure for the referendum question.

Board discussion ensued regarding the closure and rental of Neshaminy Middle. Mr. Wilson advised that the rental figure as of December 2003 was \$983,000, as is. Dr. Spitz is spongable and when money is received from the state it is applied to various projects, as various boards may desire to use the funds differently.

Mr. Eccles noted that it is imperative that the Board reaches consensus on the numbers in order that they can be distributed to the public in a clear and concise manner. Ms. Drioli would like to see that the renovation costs also be provided to the public. Dr. Spitz responded that there is absolutely no consensus on the Board with Plan B – what renovation might be and what the costs may be.

Mr. Eccles polled the Board to see whether there was consensus to present the numbers with the closure of Neshaminy Middle and the rental information broken out. There was Board consensus and the District will move forward and provide a press release to the public as follows:

- \$97M will be the figure placed on the referendum question
- Provide the figures showing the closure of Neshaminy Middle
- Provide the figures showing the rental of Neshaminy Middle

Prior to the press release the Board needs to review the release and be in agreement. The vehicle for distribution to Board members will be e-mail.

8. **Future Topics**

Mrs. Jowett would like to see the Eisenhower building be a topic of future discussion.

9. **Agenda Development for February 24, 2004 Public Meeting**

10. **Correspondence**

The Board Secretary advised that there was no correspondence.

11. **Other Board Business**

Dr. Spitz discussed the Legislative Leadership Conference that was attended by Mr. Webb, Mrs. Barrett and himself. Some major points:

- PSSA testing
- No Child Left Behind
- Speeches by Governor Rendell and the Senator Majority Whip
- Back-end referendums were discussed (for slot machine gambling and property tax relief). PSBA is strongly opposed to this legislation.
- Discussion took place regarding school employees being placed under the same state health care system that other state employees were enrolled with. There exists potential savings for all school districts. Legislation will be proposed in the next few months.

Mr. Wilson announced that he attended the PSERS topic. The fund is up to \$47.9 billion and the pay-outs are approximately \$2.9 billion.

Mr. Wilson advised that boy's basketball made the playoffs. Girl's basketball made the playoffs. Games are being hosted at home. The Ice Hockey team finished in first place and will play a quarterfinal game at Grundy Hall on February 26th.

Mr. Wilson noted that Martin Luther King, III was at the high school today and the presentation was outstanding.

Mrs. Barrett attended a performance of "My Fair Lady" and stated the production was absolutely wonderful. Mr. and Mrs. O'Connor's son had a lead in the production. Dr. Boccuti played the flute for the performance.

Mr. Eccles inquired whether any Board member would have a problem with an additional public comment. All were in favor of same.

Mr. Mel Gindin, Langhorne, PA inquired whether the \$97M bond translates to 26 mils. Mr. Gindin discussed projections for the closure of Neshaminy Middle. Mr. Gindin cautioned Board members regarding the state insurance plan.

Mr. Phil Schieber, Langhorne, PA thanked Ms. Drioli for speaking eloquently about Flowers Mill, however, very erroneously. Flowers Mill has come to the meetings to testify since at least February 2000 about savings costs, as well as stopping the high school. Flowers Mill is in favor of saving costs and was in favor of closing Tawanka. It is not true that Flowers Mill and Flowers Mill alone that is stopping the high school. The petition given to the School Board last year contained over 1,000 names on the petition. Many names came from Middletown Township. However, Flowers Mill will probably be most effected by the continual of tax increases. Mr. Schieber advised that residents of Flowers Mill will vote on the total package.

Mr. Solis Basen, Langhorne, PA questioned the rental of the middle school. How can a figure be provided without a tenant. Mr. Basen questioned how the overruns would be handled on a new school project. Mr. Basen questioned whether the Board would consider cutting certain items, parking lots, number of ball fields, etc.

Mr. Harold Landman, Middletown Township, addressed the 100% application of \$3.8M of the closing of Neshaminy Middle to the analysis. Mr. Landman feels the \$3.8M would go into the general fund to be applied District wide. Mr. Landman feels the only way not to be misleading to the public is that the monies need to be shown broken back as a percentage of a line item.

Mr. Alden Thorpe, Middletown Township, is still looking for the \$1.6M to be included in the referendum figures. Whatever is hidden will come to light one day. The reason the public does not trust the School Board is because through the years the figures have been misleading. Mr. Thorpe is concerned about who will maintain operating Neshaminy Middle. The public just wants to know the facts.

Mr. William O'Connor, Middletown Township, discussed the issue of renovation. Mr. O'Connor compared same to going into surgery. The doctor tells the patient the surgery is successful, you are going to live, however what happens if the surgery is not successful. The Board needs to understand the full implications of what they are doing. Ms. Drioli is correct. The public will come to the polls with the assumption that if they are not voting for a new school maybe nothing will happen and taxes will not increase. Mr. O'Connor feels that if the new high school is not built, the District will not have any ability to close Neshaminy Middle. Support has come from that area for a new high school, however, if a new high school is not approved they will not want to see Neshaminy Middle closed.

Mr. Howard Lindner, Langhorne, PA, stated that Plan B needs to be determined. The public needs to know that if the high school goes to renovation, Neshaminy Middle will not be closed since that will be the building that students would attend while other buildings are being remodeled. The building is big enough to handle any type of renovation that may take place.

13. Adjournment

Mr. Eccles moved the meeting be adjourned and Mr. Webb seconded the motion. The Board unanimously approved the motion. Mr. Eccles adjourned the meeting at 9:30 p.m.

Respectively submitted,

Anita E. Walls
Board Secretary