

NESHAMINY SCHOOL DISTRICT
Langhorne, Pennsylvania

PUBLIC BOARD MEETING
PUBLIC WORK SESSION MINUTES
NESHAMINY BOARD OF SCHOOL DIRECTORS
March 10, 2009

The Neshaminy Board of School Directors met in public work session on March 10, 2009, in the Board Room of the Maple Point Middle School. The following persons were in attendance:

BOARD MEMBERS:

Mr. Ritchie Webb, President
Mr. Kim Koutsouradis, Vice-President
Mr. Joseph Blasch
Ms. Irene M. Boyle
Mrs. Susan Cummings
Mr. Richard M. Eccles
Mr. Frank J. Koziol
Mr. William D. O'Connor
Dr. William H. Spitz

ADMINISTRATORS:

Dr. Louis T. Muenker
Mr. Joseph V. Paradise
Mrs. Patricia Boylan
Dr. Geeta A. Heble
Dr. Jacqueline Rattigan

SECRETARY: Mrs. Anita E. Walls

OTHERS: Approximately 65 persons from the public, staff and press

SOLICITOR:

Thomas J. Profy, III, Esquire

1. Call to Order

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

2. Pledge of Allegiance

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

3. Announcements

No announcements.

4. Public Comment

Mr. Richard Sypek, Langhorne, PA, stated that he is a retired chemical engineer and has worked on both sides of budgets. Mr. Sypek commented that philosophically there are flaws in the way the budget is approached. The index is the target and that is fundamentally flawed. This increases the amount of money that the taxpayers need to pay. The process needs to be more business focused. Mr. Sypek is bothered by the index which is an average of two wage costs. One is a federal index and the second is the average wage cost for the state of Pennsylvania. This is where the magical 4.1% comes from. What does that have to with Neshaminy's budget of \$170M? Eighty percent of the budget is labor costs. The Board can control the labor costs. Focus needs to be on long term budgets. Over a five year plan this budget should not increase more than 5% total. Mr. Sypek would target 0% this year, 0% next year, year three 1%, fourth year 2% and year five 2%. This will show the taxpayers that budgets will be under control and they can start planning ahead. Right now the district is looking at a 10 mil increase without going to the voter which is equivalent to a 7% increase on the homeowner. Many people on social security and wages are not making a 7% increase. Mr. Sypek would do the following:

- Freeze wages on all salaries and union
- Reduce salary ranges by 20% - No raises
- Reduce administration, staff and positions by 15%
- Handle reduction through attrition and retirements

- Eliminate work and reorganize assignments
- Allocated costs could be cut by 10%
- Expand teacher's roles
- Reduce consultant expenses – use teachers
- Increasing teacher productivity – number of pupils that can be taught
- Full time kindergarten is a great thing, however, money needs to be available
- Use all available resources, students, parents, teachers, etc.
- Successful negotiations depends on the final agreement, not initial proposal
- Get salaries under control and look for 0% budget target
- Eliminate college credits, eliminate longevity bonuses
- Give students and teacher's bonuses – free lunch
- Implement Board proposal May 1, 2009
- Politicians should get involved and remove Sterling Act – Wage Tax
- Change retirement program for new hires
- Freeze unfunded mandates
- Use ballot initiative to gain voters acceptance and new vision
- Budget target – 5% over 5 years

Mr. Paradise noted that the district budget is a zero based budget. It is built from zero up. Mr. Paradise assumed that Mr. Sypek was referring to the Act 1 index which is imposed upon by the state.

Mr. Larry Pastor, Langhorne, PA is a business executive in computer industry and agrees 100% with Mr. Sypek whose details are consistent with what Mr. Pastor was to speak about. Mr. Pastor quoted Barak Obama who stated “Despite resources that are unmatched any where in the world we let our grades slip, our schools crumble, our teacher quality fall short, and now other nations out pace us. The relative decline of American education is untenable for our economy, unsustainable for our democracy, unacceptable for our children. We cannot afford to let it continue. What is at stake is nothing less than the American dream.”

Mr. Pastor also noted that Mr. Obama spoke at length about his policies toward teachers. He is making an unprecedented commitment that he is making to ensure that anyone entrusted with educating our children is doing the job as well as it can be done. His administration would later this year ensure that schools are funding the need and that money is conditional on results for teachers and the schools. What a concept!

Mr. Pastor stated that today teacher raises and compensation are not based upon merit. They are guaranteed a job for life. Everyone is fine with fair wages and compensation packages; however the taxpayer is entitled to get a return on that investment as taxpayers. We expect accountability and expect a top tier school district. Unfortunately, those outcomes are not true right now in Neshaminy. Discussions regarding the costs reductions were very good last night. The Board has a huge responsibility.

Mr. Pastor stated that every penny is important. We got here by tax and spend philosophy. Rising health care costs fully paid for by taxpayers, our teachers receive a 6%-12% annual increase regardless of any base pay or step increase. The average in the private sector is a 1%-2% increase to 50% of the employees. Many now are getting 0%, significant pay cuts, or layoffs. Mr. Pastor credits the Board, but all reserves are exhausted. This contract is bankrupting the district. Hard decisions were not made. Even though student reduction is down by 1300 over the last decade we still have almost the same amount of teachers and costs associated with same. The health care coverage was a Rolls Royce of plans. Mr. Pastor feels that the teachers should contribute at least 25% participation with the health care program. There has never been a give back. Severe action needs to be taken. They need to join in sacrifices that the taxpayers have made.

Mr. Pastor would like to know where is it written that we should provide money for the public workers so that their life style is better than most people in the community. Compensation, raises and health care

and where most of the community works 12 months out of the year. Students are the most important – 8800, residents at 44,000 and 13,400 taxpayers, 750 teachers and around 500 staff, etc. Two groups are big losers. Students are not performing at maximum compared to other districts.

Taxpayers thought if supporting Neshaminy with higher taxes we would get a better product. For 25 years people paid and money did not buy happiness, unless you're a teacher. The recent rejection of the contract was not responsible. Programs could be cut. After years of capitulation the Board and residents are at a significant disadvantage to the Union. Union has power over the Board members. Mr. Pastor represents a number of taxpayers and a Petition was signed and called it Taxpayers for a Fair Neshaminy Budget. Consider the significant taxpayer burden in all decisions concerning budget issues related to teaching staff and administrator contracts. Demand that the contract for teachers and administrators and staff do not include any increases for taxes in 2009 budget. The benefits package is unacceptably costly to the taxpayers and there is not parity with neighboring school districts and private sector. Demand that the Board withdraw the current contract the teachers rejected. We are asking the Board to offer the teachers a contract with no increase in the first two years, followed by no more than 2% in the remaining two years. The Board should move 25% of health care costs to teachers, staff and administrators going forward and if a strike ensues we ask the Board to hold firm.

Taxpayers can organize and that is what this Petition is about. Everyone is in disbelief that teachers do not pay into the current medical costs. No one has that luxury. Join together and do what is right for the whole community so there are no losers. Teachers need to give like students and taxpayers have given for the last two decades. Mr. Pastor would like to hear the Board discuss what they think is success.

Mr. Sy Goldstein, Villages of Flowers Mill, Langhorne, PA, stated that difficult decisions need to be made. The 3% only includes the teachers and does not include any other personnel. This is a lot of money. Mr. Goldstein asked the Board to think about same.

Mrs. Connie Patrick, Lower Southampton, PA, stated that she is angry and frustrated. Mrs. Patrick went door to door and asked for signatures on a Petition and questioned how people felt. All are in bad trouble. The teachers need to compromise and negotiate. Everyone is losing their 401's and young couples are being laid off. This is a bad time in the country. Taxpayers are struggling and the people have no more money. Teachers under good conscience have to struggle also. Teachers have always been respected and it is a wonderful position. It is a special gift and it requires motivation for the children. They should be morally bound to give them the best they can do. Neshaminy teachers only think of money first. Mrs. Patrick feels they are better than that. Greed is a big factor. Mrs. Patrick also wished to address the President of the Union. Mr. Webb advised that she was not present.

Mr. Frank Sosky, Langhorne, PA, stated that he is retired and advised regarding the schedule of retirement benefits on the website. There is no cost until age 65. It is very expensive. Mr. Sosky inquired regarding the benefits package on retirement. Mr. Sosky compared same to Council Rock and the benefits are not as good. This should not be offered to new employees. Mr. Sosky is interested in the retirement package and how is same computed. Compromises should be reached with the current teachers also.

Mr. Sosky was directed to return to the website for further explanation of benefits. Mr. Webb stated that the Board's position has been removed.

5. **Items for Discussion**

a) **Budget Development**

Mr. Paradise advised that a meeting took place last night at the Board Strategic Action Committee strictly devoted to budget development. Another meeting is scheduled for Monday, March 16th. Mr. Paradise advised that 72 items will be discussed and reviewed. The Board was successful in completing approximately a dozen last night. Additional information will be forthcoming on others. Discussions will take place next Monday.

b) Elementary Furniture

Mr. Paradise advised that the per pupil allocation is also used to cover furniture replacement. Furniture has become more expensive and per pupil allocations have been cut back over the years. The district has elementary schools with huge amounts of aging furniture which is border line unsafe. Some is the original furniture when the school was built.

Mr. Paradise provided a handout to Board members with a list of furniture which totals approximately \$202,323 in order to replace key items and which is an initial suggestion. The Facilities and Finance Committee has suggested to approach same in a multi year point of view over five or six years. These monies would be obtained from the Capital Reserve Account.

Mr. Eccles noted that the majority of this Board voted against placing any monies into the Capital Reserve Account for this current budget year.

Mr. Paradise advised that the purpose of the Capital Reserve Account was to address capital needs and this would be an appropriate use of the money. The committee is bringing the recommendation to the Board as a whole for feedback and voting.

Mr. Webb noted that all the elementary principals were asked to come back with a list. The initial list was approximately \$1.2M. They expressed a need for safety and only came back with the current list. These capital improvement monies cannot be used to balance the budget.

This is being recommended for Board approval at the March 24th Public meeting.

Mrs. Cummings is questioning why some schools are asking for 35 student desks where others are asking for 600 student desks. Mr. Paradise advised that most of the items are original items. Mrs. Cummings questioned whether these were really safety issues. Is this a need or want? Maybe the money should be saved to use for more critical things, i.e. roofs, windows, etc.

Mr. Paradise advised that these are the recommendations of the respective principals in each of the respective buildings. The request to create the list is not about equality for each school, it is about necessity.

Board discussion ensued regarding the listed items.

Mrs. Cummings is not in favor of replacing anything unless it is for safety issues.

Mr. Koziol advised that this is for furniture which will last for many years to come. It is not unreasonable to be replacing all the desks in a school.

Mr. Webb made a motion to table this item and send it back to the finance committee for further verifications. Mr. O'Connor seconded same.

The Board unanimously approved said motion.

6. Items for Approval

a) Summer School Programs for 2009

Dr. Heble advised that the Board will be approving the Summer School Program for 2009 which includes the Secondary Summer School program and Summer Fine Arts Program. The Summer School program is self sustaining and the dates are as follows:

Summer School – July 6th and runs through August 7th

Fine Arts Program – June 29th through August 1st

Mr. O'Connor inquired whether the trip was also no expense to the district. Mr. Koziol inquired what is the requirement for attending summer school and make up courses. Dr. Heble advised that failing a course for the year would require a student to attend.

Mr. Koziol questioned the calculation process of the grade. Dr. Spitz noted that it is not specific for Board members to be concerned about grades. Mr. Koziol wanted to know whether a student needed to attend the Summer School Program if a student failed two semesters in a row. Dr. Heble will research same. Dr. Muenker advised that the final exam grade will have a bearing on the overall analysis.

Mr. Eccles noted that students can utilize the programs who wish to take extra courses and meet a prerequisite for courses at the high school. Dr. Heble advised that one is the enrichment program and the other is the make-up course.

b) Proposed School Calendar for 2009-2010

Dr. Muenker provided the proposed school calendar for 2009-2010 year. Dr. Muenker asked Board members to review same prior to the public meeting at which time they would be asked to approve same.

Mrs. Cummings inquired that the PSSA testing will take place in April, rather than in March. Spring holiday will take place in March.

Mr. Webb stated that he had a question regarding the Act 80 day in February and why it was not taking place on a Monday.

c) New Board Policy #131 – Participation in Public Meetings through use of Electronic Communication Equipment

Dr. Rattigan provided an overview to Board members regarding the above. The reason for this Policy is that a Board member may be out of town due to work related travel. Weather conditions or illness could also play a part and make it difficult for a Board member to be present. The committee has drafted the policy and if the Board chooses to pass same it would permit one Board member the chance to attend one meeting in a calendar year where deliberations and official actions are taking place by way of remote participation.

Mr. O'Connor stated that changes have been made from two members to one member per meeting and two meetings a year to one meeting per year. What led to these changes? Mr. O'Connor was also concerned that the request was at the discretion of the Board president.

Dr. Rattigan noted that the committee decided that it would only be one Board member per year so that the policy would not be abused. Dr. Spitz asked what committee members were present. Dr. Rattigan would need to review her role sheet. Ms. Boyle noted that she was not present.

Mr. O'Connor stated that he was the one who brought this situation to light and this is not intended for any Board member to get away with something, but it is to allow a Board member to participate under any circumstance that might prevent them from being at the meeting. This is not meant to be a thing for convenience, but so that a Board member can attend while on a business trip, etc. This is giving a Board member the ability to participate in a meeting. Mr. O'Connor feels that he does not need the Board president's permission to attend a meeting in person. Why would anyone need permission to utilize a policy that is in place?

Mr. O'Connor would like the policy to be revised to include two times per year and not at the discretion of the Board president.

Dr. Spitz questioned whether it was only for public meetings or also work sessions. Dr. Rattigan clarified that it would be for any place where deliberations or voting would be taking place. Mr. O'Connor noted that the original intent was to cover both Board meetings.

Dr. Spitz does not see why the Board is trying to make it difficult for a member to participate if they have a legitimate reason for not being at the Board meeting. The concern about members abusing the privilege is ridiculous.

Dr. Spitz feels that we should be encouraging as much participation from Board members and the policy could be revised if someone is abusing the privilege.

Ms. Boyle stated that it is a new policy and new procedure and it would be wise to proceed slowly.

Mr. Profy advised that the key word is "request" and that word would need to be changed. Mr. O'Connor's concept is that this is not a privilege granted, it is a right that a Board member should have.

Dr. Muenker noted that there are twenty meetings per year which would apply to this policy.

Mr. Profy stated that would it be Board consensus to have same go back to committee for further refinement.

Mr. Koziol stated that when elected to office it is an honor to serve but knowingly we accept the responsibility and obligations to attend the meetings and properly represent the people of the district. Although a school board meeting may be way down the list of important governmental meetings, those meetings are one of the best representations of a town hall meeting. It is a place where the community can come to discuss problems and opportunities of the education of the children. It is forum for the citizens to come and express their opinions and give advice. Many times the attendance of the people can cause a new road to be considered. It is also at these meetings that one of the largest taxes are levied upon the taxpayer. It is possible to feel the passion of the speaker and the mood of an audience over a telephone. Attendance is not mandatory. It is expected by the citizens who voted of us. Mr. Koziol provided a copy of all the votes since he was on the Board and Mr. Koziol stated that 224 items have been voted upon since that time. There has been five times when that vote would have been changed.

Mr. Koziol is against this policy at this time and does not feel that it is necessary.

Mr. Koutsouradis asked that on the occasion that there is large crowd and the meeting needs to be moved into the auditorium does the district have the proper equipment to have said meeting take place in that setting i.e., microphones, etc. and should this policy be put into effect would there be the proper equipment for the public and other board members to properly communicate with said absentee Board member?

Mr. O'Connor feels that this would not be reason to preclude the entire policy.

Dr. Spitz advised that this is addressed within the policy. Mr. Webb advised that this policy is being based from the I.U. policy and the I.U. allows telephone conferencing when a quorum is not met. Mr. Webb stated that it would be easier for a Board member to vote via phone when the tough votes were necessary. This brings a totally different meaning and Mr. Webb feels that the Board members should be present. Mr. Webb is concerned that this policy would encourage Board members not to attend.

Mr. O'Connor stated that this policy is only to make use of 20th Century technology which is used by Boards and non-profit organizations throughout the world.

Dr. Spitz feels that if there is a Board member that abuses the policy, then the Board can revise the policy. This is to be a helpful tool when a specific Board member is out of town.

Mr. Blasch advised that Mr. O'Connor is admirable in suggesting this type of policy since he is taking this job seriously and would like to be able to participate, even when out of town due to employment reasons. Mr. Blasch stated that he has already participated via phone during an Executive Session.

Mr. Eccles stated that he does not recall consensus for this issue to go to policy. All Board members stated that it was brought before the Board as a whole and there was consensus.

There was Board consensus to send this matter back to policy for proper revisions.

d) Bids/Budget Transfers

None.

7. Superintendent's Report

Dr. Muenker advised of the following:

- Gym Night was a success. Both nights were fabulous. Compliments were received from the fire marshal.
- Girls' Bowling team is participating in the State Championships in Harrisburg on March 14th
- Carl Sandburg will celebrate the World Language Event with International Dinner Night on Tuesday, March 31st in Cafeteria
- Carl Sandburg will present the musical "Nifty Fifties"
- Varsity Cheerleaders won a national championship in Ocean City, Maryland and they also received a prize of \$5,000. Ms. Mary Hart is the cheerleading advisor and coach.
- Maple Point Consumer Science majors delivered 140 meals to the Aid for Friends Warehouse in Northeast Philadelphia. They have a contribution goal of 500 meals by the end of the school year.
- Jump Rope for Heart Programs and many of the schools throughout the district are participating in order to raise money for the American Heart Association.

8. Committee Reports

a) Board Policies

Ms. Boyle advised that the next meeting will take place on March 24, 2009 at 6:00 p.m. Discussion will include the electronic communication equipment and high school graduation requirements.

b) Educational Development

Dr. Spitz advised that a meeting took place on February 26th and discussions took place regarding PSSA preparations for this year and also a walk through took place over at the high school in the area designated for the Alternative Education Program. The committee consensus was that there appears to be extra space in at least two areas that could potentially be used to expand the space for the Alternative Education Program. The staff needs to plan to use the space as best allocated. The next meeting is scheduled for March 25th at 6:30 p.m.

c) Finance/Facilities

Mr. Webb advised that a meeting will take place on Monday, March 16th at 7:00 p.m.

d) IU Board

Dr. Spitz advised that the next meeting will take place next week.

e) Educational Foundation

Dr. Muenker advised that the foundation continues to meet on a regular basis. Currently, a Basket of Cheer is being raffled which is in the form of Phillies specialties and tickets.

f) Technical School

Mr. Koutsouradis advised that on February 23rd a meeting took place and the next meeting is scheduled for March 23rd at 7:30 p.m.

g) Technology

Mr. Blasch advised that a meeting will be scheduled in the near future.

9. Public Comment

Mr. Solis Basen, Village of Flowers Mill, Langhorne, PA, stated that Mr. Koziol just spoke regarding the pre-requisites for eligibility for a person to be part of the Board. The Board must listen to the public and serve the public. Mr. Basen stated that the Board knows how the public feels regarding the forthcoming Union negotiations. Mr. Basen wishes that the Board members would listen to same and remember that you are elected to serve the people and listen to the people.

Mr. Larry Pastor, Langhorne, PA, stated that the meeting which took place in Lower Southampton had very productive dialogue. One request was to expand the dialogue in a larger forum so that possibly Maple Point or Poquessing or other places where a specific meeting would be associated with the Contract negotiations for the teachers since it is a preeminent item on the agenda for all the taxpayers of the community. Possibly three meetings could take place and they could be publicized in the newspaper and website where all the community could be heard on this issue. Those meetings should also entertain questions and answers and not just take comment. Some people are not fully aware of what this contract means to the community. The ramifications of this contract are significant to every person who lives in this community. On behalf of all the taxpayers this needs to be opened up. Mr. Pastor would like to have full transparency negotiations and not to wake up one morning to find that the contract has been negotiated and signed.

10. Future Topics

11. Agenda Development for the March 24, 2009 Public Meeting.

12. Other Board Business

Mr. Koziol apologized to Dr. Muenker regarding the Accountability Block Grant where the district receives \$770,000 which can be used for anything good for the children. This is not part of the budget. Mr. Koziol suggested that this could be used for full day kindergarten. Mr. Koziol stated that the district for the fifth year is choosing to invest more than three out of every four dollars of block grants for early childhood education which includes pre-kindergarten, full day kindergarten, and class size reduction in kindergarten through third grade. At Neshaminy the funds were used for tutoring. Mr. Koziol feels that Dr. Muenker is attuned to the public and students of the district.

Dr. Muenker advised that the district does not know what the dollar amount represents and at this time the district is skeptical that it could be less than in the past. Full day kindergarten is a relatively new initiative discussed by the district and was brought out by a committee that was formed and prior to that the dollars were devoted to remediation. It is certainly something that should be looked at closer.

Mr. Koziol stated that the number of school districts offering full day kindergarten is 480 for 2009-2010 and projected to be 500 school districts for 2010-2011.

Mr. Koziol stated that he feels that no food be given for anything in the school district unless for the children during regularly scheduled breakfasts and lunches.

Mr. O'Connor acknowledged Mr. Sypek and a person involved within the community and was a participant on the tax committee formed a few years back. Mr. Sypek spoke regarding pension management and

possibly it would be an advantage to turn the investments over to the employees so the district would not have the expense of managing same. The individual can be the manager of said investment and this could be beneficial for the individuals. Mr. O'Connor contacted Mr. King and Mr. Tomlinson and both stated that it is a wonderful idea, however, the state pension that the teachers participate in also covers the state legislators and that is one of the reasons why something like this would never be passed. Lobbying needs to continue in Harrisburg. Mr. Webb advised that the state advises the district on what the said contribution needs to be.

Mr. Eccles advised of the following regarding healthcare:

- 2008 - 2832 companies participated - average in the country per family was \$12,680
- average employee contribution was \$3,354 which represents 26.5% paid by employee
- 18% of employees had deductibles of at least \$1,000 and that was up 12% from 2007
- 24% of these companies are planning to increase employee contributions this year and 22% have already raised the deductible
- 42% of companies have already frozen salaries and 14% more plan to do so

13. Adjournment

Mr. Blasch moved that the meeting be adjourned and Mr. O'Connor seconded same. Mr. Webb adjourned the meeting at 8:35 p.m.

Respectively submitted,

Anita E. Walls
Board Secretary