

NESHAMINY SCHOOL DISTRICT
Langhorne, Pennsylvania

PUBLIC WORK SESSION MINUTES
NESHAMINY BOARD OF SCHOOL DIRECTORS
January 12, 2010

The Neshaminy Board of School Directors met in public work session on January 12, 2010 in the District Offices Board Room at the Maple Point Middle School. The following persons were in attendance:

BOARD MEMBERS:

Mr. Ritchie Webb, President
Mr. Kim Koutsouradis, Vice President
Ms. Irene Boyle
Mr. Scott E. Congdon
Mrs. Susan Cummings
Mr. Richard M. Eccles
Mr. Mike Morris
Mr. William D. O'Connor
Mr. William Oettinger

ADMINISTRATORS:

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

BOARD MEMBERS ABSENT:

OTHERS: Approximately 100 persons from the public, staff and press

SECRETARY: Mrs. Jennifer Burns

SOLICITOR: Thomas J. Profy, III, Esquire

Mr. Webb stated that prior to the start of this meeting the board held an executive session from 6:30 until 7:00 pm.

1. **Call to Order**

Mr. Webb called the meeting to order at 7:10 p.m.

2. **Pledge of Allegiance**

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

3. **Announcements**

No announcements were made.

4. **Public Comment**

Mr. Frank Koziol of Levittown stated that he wanted to clarify what happened during the Finance Committee meeting in regard to the decision about a certain broker for insurance. The RFQ's of four companies were reviewed resulting in a vote of two for Gallagher Benefits and two for Seltzer. Since the vote was a deadlock, they decided to bring the matter back to the Board for a decision. Mr. Koziol noted he had nothing to gain in this matter, but thought it was important to bring these facts to the new Board to let them know what happened. Mr. Koziol addressed the issue of recent letters to the Editor that were disparaging to the Board. He states that the School Board is not the problem and the criticism is misplaced. Union leaders ask for ridiculous pay increases, while they should be advising union members to accept what is offered during these difficult times. He also advised the Board to put a cap on wages because overburdened tax payers are at a point where it is difficult to continue to support the high salaries.

Mr. Larry Pastor, Business Executive and Chair of Taxpayers for a Fair Neshaminy Budget, opened his comments by acknowledging his support for the Board. He reiterated his request to the Board to have a zero tax increase, on behalf of the taxpayers of Neshaminy. He implored the Board to review the eleven cuts that were submitted as a means of reducing taxes. He suggested that the Board analyze the need for positions such as, librarians, guidance counselors, and reading specialists.

Mr. Solis Basen of Langhorne directed his comments to employees of the district who are non-residents of Middletown Township. Mr. Basen expressed his opinion that employees of the district that do not pay real estate, property, and school taxes should not publically criticize the actions of the School Board.

Mrs. Carolyn Spina of Levittown made a request to the School Board to note the effects that the recent budget cuts have made on the parents, teachers, and students.

Mrs. Annamarie Miller requested that the School Board send a letter once a month to State Senators and Representatives to assist the Neshaminy School District with state funding. Mrs. Miller also commented on the bond issue debt, and suggested the Board look into different options of obtaining a lower interest rate. Mrs. Miller offered her opinion that reading specialists and librarians are a valuable asset to Neshaminy School District.

Mr. John Toth, Chairman of the Democratic Party in Middletown, expressed his displeasure with the statements made by Mr. Larry Pastor during past meetings.

Mr. Webb voiced his uneasiness about Mr. Toth's agenda, but allowed him to continue.

Mr. Toth stated that the Democratic Party is not responsible for any tax increase in the Neshaminy School District. He also states that the Board has been Republican for the past twenty years; therefore the Republicans are responsible for any tax increase resulting from out of control spending.

Mr. Steve Rodos, Villages of Flowers Mill, Langhorne, declares the importance of raising the quality of education in the Neshaminy School District outweighs the unpopularity of a tax increase. In his opinion, Mr. Rodos, feels that to lower the standard of education in the Neshaminy School District would be a disservice to the 8,500 students that it serves.

5. Items for Approval Tonight

a) Appointment of a new Board Secretary

Motion was presented by Ms. Irene Boyle:

WHEREAS, Anita E. walls was, on May 12, 2009, elected by the Board of School Directors to the Office of Secretary of the Neshaminy School District for a term of four (4) years beginning on July 1, 2009 and ending on June 30, 2013;

WHEREAS, Anita E. Walls resigned from the Office of Secretary of the Neshaminy School District effective December 31, 2009; and

WHEREAS, the Public School Code of 1949 as amended, requires that vacancies in the Office of Secretary of a School District be filled for the unexpired term of the Secretary by action of the Board of School Directors.

NOW, THEREFORE, BE IT RESOLVED, that the Board of School Directors of the Neshaminy School District accepts the resignation of Anita E. Walls as Secretary of the School District, effective December 31, 2009.

BE IT FURTHER RESOLVED that the Board of School Directors elects Jennifer Burns, Secretary of the Neshaminy School District, effective January 12, 2010 for a term ending on June 30, 2013; and the annual salary of said Secretary is fixed at \$10,000.

Ms. Boyle made a motion to appoint a new Board Secretary. Mr. O'Connor seconded the motion.

Mr. Webb stated that the motion passed 9 - 0.

6. Items for Discussion

a) High School Construction Update

Mr. Webb stated that Mr. Damion Spahr from Reynolds Construction will be present at the January 26th, Public Meeting to give his presentation on the construction of the high school.

b) 2010 - 2011 Working Draft/Proposed Preliminary Budget

Mr. Paradise advised the board on the 2010- 2011 Budget Preparation Calendar according to Act 1 to adopt the 2010 - 2011 Preliminary Budget.

Mr. Paradise stated that the Neshaminy School District's total enrollment in September, 2009 was 9,298 students. He also states that 589 of those students are students who attend Charter Schools, the Bucks County Technical High School, Bucks County Intermediate Unit, and the alternative education schools. Mr. Paradise informed the board on the process in which the district calculates the educational costs for each student in the district.

Mr. Paradise advised the board of the summary of Neshaminy staff positions for the actual numbers for the 2008-09, the actual numbers of the 2009-10, and the projected numbers for the 2010-11 budgets, of which are based on level staffing. Mr. Paradise explained the summary of the facilities, which include their original construction, when additions were made, when renovations were made, how many classrooms, how many modular classrooms, and how much acreage there is. The total square footage is 1,518,278 square feet.

Mr. Paradise noted that he felt the market was responsible for earning less money than was anticipated by the school employee's pension fund. He also noted, it was the 2001 law that enhanced benefits for both state employees and school employees. In Mr. Paradise's opinion it was the employer's lack of responsible funding of the funds.

Mr. Paradise stated that in his experience over the last thirty years that the state of Pennsylvania, being the employer dictates the rates to the School Board. Mr. Paradise noted that pages 28 and 29 demonstrate the history of the employer contribution rate from 1955 until 2011. The rate fluctuates from 2001 to 2006. Mr. Paradise emphasized the irresponsible funding by the state of Pennsylvania to the pensions inhibits the benefits of employees.

Mr. Paradise mentioned that on page 30, he used graphics to show the investment earnings are the primary source of Pennsylvania School Employees Retirement System's funding. He noted that employer contributions have been the smallest source of Pennsylvania School Employees Retirement System's funding, even smaller than the contribution of the Employees themselves.

Mr. Paradise points out on page 36 the projected general fund revenues are \$155,526,000.00, which are level with the past year. This indicates a decline, since there has been no growth. The next pages indicate the summary of general fund expenditures by program, which Mr. Paradise says it is important to note that they have grown at 4.5%. He also points out that 60.8% of every dollar spent is spent on instruction, and 29.2% on support services. Mr. Paradise goes on to explain that the report outlines details of expenditures and revenues. It was explained that the District has included a transfer of funds from the General Fund to the Capital Reserve Fund from 250 thousand dollars to 1 million dollars. He points out that over the next six months the board must discuss how the capital needs of the school district will be funded.

Copies of the Proposed Preliminary Budget Reconciliation pages, which detail the projected general fund expenditures and revenue, were made available to the public. Mr. Paradise explained that the deficit is less this year due to the reduction of staff costs.

Mr. Paradise states to the Board how he outlined in Chapter 8 and 9, the Pennsylvania School Boards Association Publication of school finance.

Mr. Eccles questioned what avenues are available to resolve the current budget issues. He further questioned whether the Board will seek input from the support staff and the certified staff on what programs could possibly be cut to meet the state requirements for the budget cuts. Dr. Muenker agreed that the question was prudent. Mr. Eccles asked the Board for a consensus to form committees to discuss the matter. Dr. Muenker further stated that he would need more time to contemplate the question of what avenues should be pursued to reduce the budget. Mr. Paradise mentioned that while operating costs were successfully reduced last year, there is a continual need to further reduce operating costs possibly by reducing employee costs, which would be very detrimental to the educational system.

c) 2006 Bond Issue Swap Update

Mr. Paradise advised the Board that at this time it is his recommendation for the district to keep this swap in place. The swap has largely worked as projected and the district is currently benefiting from positive cash flow from this swap.

7. Items for Approval Tonight

Dr. Rattigan presented the following trips for approval:

- January 22 – 24, 2010 and February 19 – 21, 2010, Neshaminy High School Annual Ski Club Trips to Killington Mt. Rutland, VT.
- April 16 – 22, 2011, Neshaminy High School Academic Enrichment Trip to England and France.

Mr. Webb made a motion that all three trips be approved, and Mrs. Cummings seconded the motion.

Mr. Webb stated that there is no cost to the district; the trips are solely paid for by the parents and students themselves.

The motion passes by a vote of 9 – 0.

8. Items for Approval at the January 26, 2010 Public Board Meeting

a) School Director Recognition Month

Dr. Muenker stated that on the January 26, 2010 Public Board Meeting there will be a motion for the approval for the School Director Recognition Month.

b) Election of Board Member to the Intermediate Unit Board

Dr. Muenker stated that at the January 26, 2010 Public Board Meeting there will be a motion presented for the approval for the Election of Board Member to the Intermediate Unit Board.

c) Renewal of Delta Community Supports, Inc. Lease for Eisenhower

Mr. Paradise stated that there will be a motion made at the January 26th, Public Board Meeting, for the approval of this five year renewal.

d) Resolution Regarding PA School Employees Retirement System

Mr. Paradise recommended that the Board make the following recommendations:

1. The State Legislature immediately reviewed the anticipated rate spike during the 2012 – 13 fiscal year.
2. As a result of that rate spike, the State Legislature consider immediately amending the Public School Employees' Retirement Code so as to take immediate action in either amending the Public School Employees' Retirement Code to limit eligibility, funding levels, and/or the extent of the benefits so that the employer contribution rate will be substantively reduced, and/or provide other sources of revenue independent of the employer contribution rate.

3. The State Legislature recognize that permitting the employer contribution rate to spike to a 16.4% - 28% level would adversely impact every school district in the Commonwealth of Pennsylvania from providing the Constitutional mandate of a thorough and efficient education for district students.

e) Resolution Authorizing 2010 -2011 Proposed Preliminary Budget to be made public

Mr. Paradise stated that the Resolution Authorizing 2010 – 2011 Proposed Preliminary Budget must be made public on January 20, 2010.

f) Bids/Budget Transfers

Mr. Paradise notes there is one Budget Transfer Report and one bid. The Budget Transfer Report is Working copy No. 10-2. The one bid is for copy paper for the new school year, 2010/2011. It is bid No. 11-13. The award was recommended to the vendor listed which met the minimum specifications and submitted the lowest bid in the Reverse Auction.

9. Superintendent's Report

Dr. Muenker advised the Board on the following:

- Charitable contributions from various organizations during the holiday season were acknowledged.
- Lisa Scott and the Green Team from the Poquessing Middle School were recognized for the extraordinary clean-up in and around the Poquessing Middle School.
- The FBLA State Competition at the Hershey Lodge, in Hershey, Pa, on April 12, 13, and 14th.
- Melissa Gansworth was chosen for the American High School Honors Band. She will be in New York City on June 23 - 27th. She will also be under the baton of H. Robert Reynolds.
- Neshaminy High School Yearbook staff received 1st place award in the American Scholastic Press Association's Annual Yearbook and School Publication Competition.
- Challenge Day, January 11th, 13th, and 14th.
- Winter Concert, January, 13th at 7:30 p.m.
- High School Drama Class Comedy Night, January 19th, 20th, 21st, and the 22nd, at 6:30 and 8:15 p.m.
- H1N1 Flu Clinic, January 14th from 4:00 to 7:30 p.m.

10. Committee Reports

a) Board Policies

Ms. Boyle advised the board that the next meeting will take place on Wednesday, January 13, 2010 at 6:30 p.m.

b) Educational Development

Mr. O'Connor advised the board that the next meeting will take place on Monday, January 25, 2010 at 6:30 p.m. The topic of discussion will be on computer labs in the elementary schools.

c) Finance/Facilities

Mr. Webb advised the board that the next meeting will take place on Thursday, January 28, 2010 at 7:00 p.m.

d) IU Board

Mrs. Cummings advised the board that the next meeting will be on Tuesday, January 19, 2010 at 7:00 p.m.

e) Education Foundation

Dr. Muenker informed the board of the upcoming Murder Mystery dinner on January, 23rd, which will be held at the Knights of Columbus in Levittown, to benefit the grants and scholarship fund.

f) Technical School

Mr. Koutsouradis advised the board that at the last meeting Harry Kramer was elected, President; Helen Cinni, First Vice President; and Mr. Koutsouradis, himself, was elected Second Vice President.

g) Technology

Mr. Congdon advised the Board that they are working on a time to schedule their first meeting.

11. Public Comment

Mr. Pastor reiterates Mr. Eccles' statements, and asks the Board to pursue those areas for efficiencies.

12. Future Topics

Mr. Webb stated that there were no future topics.

13. Agenda Development for the January 26, 2010 Public Board Meeting

Mr. O'Connor requested from the Board a written update on the construction prior to the next Public Board Meeting.

Mr. Eccles inquired as to when Middletown can expect to receive a check.

Mr. Webb stated that at the January 26th, Public Board Meeting, Mr. Damion Spahr will be able to respond to questions concerning the completion of the Construction project.

14. Other Board Business

Mr. Koutsouradis inquired about the possibility of the Board denying any kind of increase in the retirement system. Mr. Paradise responded that the Board is required by law to fund the retirement system.

Mr. Koutsouradis requested that for further meetings politics are kept out of it.

Mr. O'Connor inquired why videos are no longer posted on the website.

Mr. Paradise stated that the individual who normally performed that duty was very ill and unable to continue service at this time.

Mr. O'Connor acknowledged State Representative, Glenn Grell, of Cumberland County, who recently proposed House Bill 21-35, which calls for reform of the state worker's pension plan. He also urges everyone to write letters to State Representative Frank Ferry to also get involved.

Mr. Eccles also added he thought it a good idea to write letters to Tony Melio.

Mr. Webb stated that NESPA and our attorney have set up two meetings with a Fact Finder which will be held next month regarding contracts. The Fact Finder will give a nonbinding opinion in March. The NFT meet last night primarily to renew negotiations and introduce new Board members.

15. Adjournment of Meeting

Mr. O'Connor moved that the meeting be adjourned, and Ms. Boyle seconded it.

Mr. Webb adjourned the meeting at 8:50 p.m.

Respectively submitted,

Jennifer Burns
Board Secretary