

NESHAMINY SCHOOL DISTRICT
Langhorne, Pennsylvania

PUBLIC BOARD MEETING MINUTES
NESHAMINY BOARD OF SCHOOL DIRECTORS
(WORK SESSION/PUBLIC MEETING)
November 15, 2005

The Neshaminy Board of School Directors met in public session on November 15, 2005 in the Board Room of the Maple Point Middle School. 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. Louis T. Muenker
Dr. Sandra Costanzo
Mr. Joseph V. Paradise
Mrs. Jacqueline Rattigan
Mr. Bruce Wyatt

SECRETARY:

Mrs. Anita E. Walls

SOLICITOR:

Peter Williams, Esquire
Thomas Profy, III, Esquire *

OTHERS: Approximately 15 persons from the public, staff and press

*Ms. Drioli left the meeting at 7:10 p.m.

*Mr. Profy arrived at 7:35 p.m.

1. 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. Public Comment

No public comment.

4. Announcements

a) Board Awards

Mr. Wilson announced that three Board members were leaving the Board. Mr. Wilson presented the following Board members with books to be placed in the library in their area:

Mrs. June R. Bostwick
Ms. Carol A. Drioli
Mrs. Kimberly A. Jowett

Mr. Eccles commented that these Board members have served with the utmost dedication and without volunteerism in this country we would be in poor shape. Although differences were had in the past that is what makes a board function and a community grow. Mr. Eccles thanked all three ladies for their time and dedication to the district and community.

Ms. Drioli thanked the residents of Lower Southampton, the senior citizens who would yell about taxes and then give her a hug, the Home and School Associations who would embrace her when she would go and meet with them regarding issues and concerns and Ms. Drioli thanked the Board for the laughs and not taking everything so seriously. Ms. Drioli noted that to be able to move forward is a testimony to the kind of people that serve at this level. To the people who feel that the Board has ulterior motives, Ms. Drioli cannot think of one Board member in all the time that she has served on the Board that had ulterior motives. People fight for things as a School Board member because they are passionate about it, because they believe it, not because they are getting payoffs from a contractor or not because there is pay to play. Ms. Drioli believes that the new Board members will have those same qualities. Differences of opinion should not create hate. Ms. Drioli thought the alternative school would be one of the hardest decisions and she was fighting her own community for same. Ms. Drioli is happy that the school is working and helping students that need that help. Ms. Drioli has enjoyed the Board members and thanked all of them individually.

Dr. Spitz thanked the three Board members for their wisdom and unique ways. A terrific job has been done by all of them. The ladies have always put the children of this district first and that is really what this is about. To publicly educate children to the best of our ability is the main goal.

Mr. Eccles announced that he would like to add an item for discussion regarding the Technical School.

5. Items for Discussion

a) Owner Controlled Insurance Program (OCIP) for High School construction

Mr. Paradise advised that the Finance Committee has discussed and heard a presentation concerning this program. The program is run by the Pennsylvania School Boards Association and it has the potential to save the district money. Mr. Paradise advised that this is in consideration for the high school project. Each bidder will be required to include in their costs for all their insurances, i.e. liability, worker's compensation, etc. If the district can provide that for the bidders, the district gets benefits. The district can purchase the insurance less expensively than each individual bidder. Mr. Paradise reviewed with Board members the handout materials. Mr. Paradise advised that the Finance Committee is recommending this program to Board members. A decision will not need to take place regarding this program until the bids have come in and the low bidders are determined. At that point the low bidder would advise the district what it would cost for him to obtain the insurance and the district can see if through this program they can obtain the insurance for less. At that time the Board members will need to make a decision as to whether it will be financially advantageous to the district, or if not, the bidders will be told to provide their own insurance.

The Board agreed to move forward with the Owner Controlled Insurance Program.

Mrs. Barrett requested that the Board allow the Student Representatives to provide their report to the Board at this time.

Student Representatives Lauren Ramsey and Melissa Stack provided the following updates:

- The Field Hockey team lost in the quarter finals, but they made it to the top eight in the state
- Soccer is playing the semi-state finals this evening
- Golf sent two representatives to states
- Boys and Girls Cross Country team sent two representatives to states
- Football is playing Downingtown at home on Friday evening
- Powder Puff Football will be taking place on Wednesday before Thanksgiving
- National Honor Society will be having their annual Blood drive on Friday, December 9th
- Sophomore Elections will take place on Monday
- Drama Show for this year is "The House of Frankenstein" and will take place at the high school this Thursday, Friday and Saturday at 7:30 p.m.
- Heat in Gym 1 is a concern to many students

b) Amended Articles of Agreements – Bucks County Technical School

Dr. Spitz thanked the Board for allowing this issue to be discussed. Dr. Spitz advised that he has had extensive discussions with Mr. Parks and Mrs. Miller. Dr. Spitz noted that the idea was to set up a capital reserve fund to allow the Tech School to start putting away money for equipment purchases which they badly need. In order to do so it requires a change to the Articles of Agreement and all six districts must approve the change. As it stands right now the other five districts have approved the change. Neshaminy has not and there is no capital reserve fund at the Tech School.

Dr. Spitz noted that one of the concerns is that the wording allows the joint committee at the Tech School to commit left over funds from any particular budget and designate those funds be put into a capital reserve fund, instead of having such funds appear as a line item in the budget which would be approved by all the sending districts.

Dr. Spitz made the following notations:

- The wording of the Article does allow the Tech School to put money through a budget line item.
- The language also allows the joint committee to designate funds into the capital reserve fund.
- The Governor has set up a grant program specifically for Tech schools to make equipment purchases. The district needs to match the dollar amount given by the state. The Tech School has submitted a grant application for \$100,000. If there is no capital reserve fund in place the Tech School will not be able to hold up their end of the grant program and will most likely lose the \$100,000 grant from the state.
- The Tech School would like to be able to get money into a capital reserve account to fund this type of grant program and other equipment needs.

Board members raised concerns over the way the Articles are written and further discussion took place amongst Board members.

Mr. Paradise advised that it does not make business sense to him and in a strange way it does not seem to put the proper attention that budgeting a capital reserve fund would put on it. If there are no unexpended funds this fund is not reserved or funded in any way. It should be done every year.

Dr. Spitz noted that Mr. Parks was in agreement to go back to the other districts with the concern that Neshaminy raised and get agreement from all the Boards to try to pass an amended motion with a language change.

Mr. Profy advised that an expiration could not be placed on the motion as written. The articles of formation for this entity are being amended. If the district were to agree to this amendment for x period of time and the other districts have not done that, there is no approved amendment. Mr. Profy advised that in whatever form Neshaminy would send the motion back, the other five districts would need to agree to the same limitations and caps.

6. Items for Approval

a) Proposed Bond Issue Swap Policy

Mr. Paradise advised that Public Financial Management (PFM) is stating that a policy needs to be in place that deals with Swap Debt, and particularly, it needs to be in place since the district is considering refinancing some of the existing debt. The district already has among the highest percentage of Swap Debt of any district in Pennsylvania. The policy will primarily generate public discussion. In summary the policy will contain the following: The total notional amount of interest rate swaps and options executed by the District shall not exceed an amount equal to 60 percent of the total of all general obligation debt of the District as a whole. That does not preclude the district from going beyond that or that does not preclude us from changing our debt in some way, shape or form. The policy will require public discussion and get the issue out in the open.

Mr. Paradise advised that the Finance Committee is unanimously recommending same.
Mr. Paradise advised that it would be in the form of a motion for the Board members to approve.

Board discussion ensued regarding the issue and risks involved.

A representative from PFM gave the Board members some further insight regarding SWAPS and the risks which are incurred.

b) Bids from Poquessing Middle School Renovations

Mr. Paradise directed Board members to an artist rendering of the Poquessing facility in the Fall of 2006. Mr. Paradise thanked Paul Minotti and Consolidated Engineers for their work on the project. A plan has been designed around the \$5.5M which has been allotted for the project. This past summer asbestos removal and preparation work has taken place. Bid No. 6-23 will be presented this evening for the Board's approval. The bid total is \$4,493,940.

Mr. Paradise noted the bid includes renovations of windows, walls, floor tile and HVAC units. Air conditioning will be included for the entire two story instructional wing.

Mr. Paradise noted that money has already been spent for the asbestos removal and engineering costs. Work will begin on a limited scope in May, 2006, and will not be in the instructional area. All work will occur in the Summer, 2006. Mr. Paradise commended Consolidated Engineers for their work in obtaining reputable contractors.

Mr. Webb commended Mr. Paradise on his fine job with the Poquessing project.

Mrs. Cummings thanked Mr. Paradise for his efforts in getting this project underway.

Dr. Spitz expressed some concerns with the low bidders on the project and wanted to get more comfortable with these contractors. Mr. Paradise noted that critical comments will be heard once the bids are awarded. As a public entity the district needs to ensure that the specifications are written well, make the requirements clear, etc. Consolidated does not have a concern with any of the bidders. A Performance Bond is required by all contractors. Each of the contractors provided a performance bond from a double "A" rating company.

A representative from Consolidated Engineers noted that the following was required from each of the low bidders:

AIA305 Forms

The contractors have previously or are currently working on projects with Consolidated Engineers.

Dr. Spitz raised concerns to be cautious.

c) Other Bids/Budget Transfers

No other bids or budget transfers.

7. Items for Information

No items for information.

8. Superintendent's Report

Mr. Wilson advised that at the high school the Accreditation for Growth (AFG) will take place at which time the high school gets its recertification. A team will arrive on December 7th and an exit report will be made on December 9th.

9. Committee Reports

a) **Board Policies**

Mr. Bowman advised that the weapons policy is almost complete and will be brought to the Board after the first of the year. An employee drug policy is being looked into further. Several policies are being looked into regarding the No Child Left Behind Act. Also, a policy is being looked at to encourage current and new board members to attend different workshops and seminars for Board training purposes.

b) **Educational Development**

Dr. Spitz advised that a meeting will be scheduled for the end of November.

c) **Finance and Facilities**

Mr. Webb advised no further report and a meeting is scheduled for November 30.

d) **IU Board**

No report.

e) **Educational Foundation**

Mrs. Cummings advised that the Murder Mystery was held and it was a great success. Mrs. Marianne O'Connor is recognized for putting the event together along with Dr. Costanzo's office. Over \$3,000 was raised with the event and the monies will be put towards the grants.

f) **Technical School**

Dr. Spitz advised that there was nothing further to report.

g) **Technology**

Mrs. Jowett advised that there was no report.

10. Future Topics

11. Agenda Development for the November 15, 2005 Public Meeting

12. Other Board Business

13 Adjournment of Meeting

Mr. Webb moved the meeting be adjourned and Mr. Bowman seconded the motion. The Board approved the motion with eight ayes. Mr. Eccles adjourned the meeting at 8:16 p.m.

PUBLIC MEETING

Prior to the Public Meeting an Executive Session was held.

Call to Order

Mr. Eccles called the meeting to order at 8:25 p.m.

Approval of Minutes

Upon motion of Mr. Bowman and seconded by Dr. Spitz, the Board unanimously approved the minutes of the October 25, 2005 Public Meeting. Ms. Drioli was not present.

Approval of Treasurer's Report, Bills for Payment, Investments, and Exonerations of Personal and Per Capita Tax – Mr. Paradise presented the following for approval:

October, 2005 Treasurer's Reports, subject to audit

Check Register – October, 2005

Escrow Funds, Capital Improvement Funds, Investment Funds

Personal and per capita tax exonerations for October, 2005 totaling 248 additional exonerations

Mr. Webb moved the October, 2005 Treasurer's Reports be approved, subject to audit, and the February, 2005 bills for payment, Escrow Funds, Capital Project Funds, Investments Funds and the personal and per capita tax exonerations for October, 2005. Mrs. Jowett seconded the motion.

The Board unanimously approved the Treasurer's Reports, subject to audit, bills for payment, investments, escrow funds, capital project funds, budget transfer report and personal and per capita tax exonerations. Mrs. Drioli was not present.

Bids – Mr. Paradise presented the following bid for approval.

Bid No. 06-23 – Renovations to Poquessing Middle School

Bid Amount: \$4,493,940

The bid is for renovations of windows, walls, floor tile, and HVAC units.

Mrs. Cummings moved the bid be approved and Mr. Webb seconded the motion.

The Board unanimously approved the Bid. Ms. Drioli was not present.

Certified and Support Personnel Actions

Dr. Muenker presented the following for approval:

Elections of Certified Personnel

Resignations/Leaves of Certified Personnel

Elections of Support Personnel

Resignations/Leaves of Support Personnel

Extra-Curricular Staff and Salaries Report

Dr. Muenker requested approval of the personnel report and Extra-Curricular staff and salaries report as presented.

Mr. Webb moved the personnel report be accepted. Mrs. Jowett seconded the motion.

The Board unanimously approved the personnel report. Ms. Drioli was not present.

Motion: Proposed Bond Swap Policy

Mrs. Barrett presented the following motion:

WHEREAS, the Neshaminy Board of School Directors has utilized the services of Public Financial Management (PFM) as Financial Advisor in the past; and

WHEREAS, the Board has entered into an interest rate swap to be executed in 2006 as part of the high school financing; and

WHEREAS, the Board may also consider the use of interest rate swaps in the future.

NOW, THEREFORE, BE IT RESOLVED, that the Board of School Directors adopt the attached policy on Variable Rate Debt and Interest Rate Swaps as recommended by PFM and the Facilities and Finance Committee. The purpose of this policy is to provide guidelines for future variable and/or swap debt

and to generate a public discussion of any financial transactions outside the parameters of the policy guidelines.

Dr. Spitz seconded the motion.

The Board unanimously approved the proposed Bond Swap Policy. Ms. Drioli was not present.

Federal Programs

Mr. Wilson reported that one new grant, the Carol M. White Physical Education Grant, was received for \$90,750 on November 5th to improve the delivery of school physical education programs and to initiate a school/community intervention program for inactive overweight children.

Other Board Business

Mr. Profy advised that immediately preceding this meeting an Executive Session was held to discuss potential tax parcel assessment appeals which could be taken by the school district. Mr. Profy advised that approximately 100 tax assessment appeals were filed by property owners. Of those most culminated in either denial of appeal or a modest, small reduction in the assessment. Mr. Profy advised that T.P. #22-57-20-1 which is the main mall of Oxford Valley Mall complex where there was a substantial reduction and two related parcels, T.P. #22-40-29-2 and #22-40-29-3. Also, two industrial buildings, T.P. #22-21-66-10 and #21-1-13-11. Mr. Profy's recommendation as to these five tax parcels is that the school district analyzes the decisions to determine the valuations of the properties and then determine if these assessments are fair and proper. In order to keep the assessment open of record it is necessary to file a court appeal on or before November 21st. Mr. Profy's recommendation to the Board that the Board authorize the filing of a tax assessment appeal from the decision of the Board of Assessment for those five tax parcels.

Mrs. Jowett made a motion to have Mr. Profy file a court appeal on or before November 21st from the decision of the Board of Assessment for the five named tax parcels.

Mr. Bowman seconded the motion.

The Board unanimously approved the motion to have Mr. Profy file a court appeal on or before November 21st from the decision of the Board of Assessment for the five named tax parcels. Ms. Drioli was not present.

Public Comment

No public comment.

Board Comment

Dr. Spitz advised that after reading the language of the Tech School articles which were discussed during the Work Session he is in agreement that the wording is too vague and Dr. Spitz feels that the Tech School should redraft same. Dr. Spitz is looking toward the Board for some guidance.

Mr. Webb would support a one time exclusion if it is necessary for the Tech School to receive the \$100,000 matching grant. Mr. Bowman was in agreement.

Adjournment

Mr. Bowman moved the meeting be adjourned and Mrs. Cummings seconded the motion. The Board unanimously approved the motion. Mr. Eccles adjourned the meeting at 8:45 p.m.

Respectively submitted,

Anita E. Walls

Public Meeting (Work Session/Public Meeting) of the Neshaminy Board of School Directors (cont.)
November 15, 2005

Board Secretary