

NESHAMINY SCHOOL DISTRICT
Langhorne, Pennsylvania

PUBLIC BOARD MEETING MINUTES
NESHAMINY BOARD OF SCHOOL DIRECTORS

April 28, 2009

The Neshaminy Board of School Directors met in public session on April 28, 2009, in the Auditorium 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 R. Blasch
Ms. Irene M. Boyle
Mrs. Susan Cummings
Mr. Richard M. Eccles
Mr. Frank 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
Mr. Kevin Kane
Dr. Jacqueline Rattigan

SECRETARY:

Mrs. Anita E. Walls

SOLICITOR:

Thomas Profy, III, Esquire

OTHERS: Approximately 225 persons from the public, staff and press

Call to Order

Mr. Webb called the meeting to order at 8:00 p.m.

Pledge of Allegiance

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

Announcements

No Announcements.

Public Comment

Mr. Richard Sypek, Chemical Engineer, Langhorne, PA, provided the following top ten reasons the Neshaminy School District Budget should have no increase in property taxes:

10. Homeowners are still waiting for their 30% reduction in property taxes promised by Rendell in 2002.
9. Student enrollment continues to decline.
8. The education cost per pupil for a single student starting now over the next 12.5 years assuming no budget increase is \$230,000. Using the current trend that number increases to \$434,000.
7. No member of the Board has ever approved a budget which decreases property taxes.
6. Pension demands in the next few years will make budgets skyrocket.
5. Voters are starting to pay attention to high taxes and wasteful government spending.
4. Current contract negotiations make this target possible. Signing contracts which are too expensive will force budget increases during the next three years.
3. Your continued power trip being a member of the school board depends upon it.
2. Retirees, families relying on social security and many homeowners cannot afford it and may actually lose their homes.
1. It's the right thing to do. (Given the economy and the present situation for our homeowners.)

Mrs. Lisa Reiser, Langhorne, PA is a stay at home mom who's rarely at home. Some of you may know me as "Turbomom." She wanted to address a few things that came up at the last board meeting. First, there is an item on the agenda regarding a name change policy to the Maple Point Auditorium. At the last meeting there was some discussion about the policy of dedicating a facility. The most recent Facilities Dedication policy was adopted just this past September. Mrs. Reiser was present for at least one of the policy meetings when this was on the agenda. There was some discussion about exactly what qualifies a person to have a building dedicated to them, and who was responsible for doing the research and validating the qualifications. It was determined that the responsibility falls on the person submitting the application. As it states in the policy which this board passed just seven months ago: "the written nomination must contain examples explaining how the nominee meets each of the criteria of exemplary moral character; have made an outstanding contribution to education, humanity or community; or have displayed outstanding leadership; or to be a person of historical significance."

Mrs. Reiser would encourage any board member who has a list of people whom they feel deserve such recognition, refer back to the policy you passed and bring your complete and valid nomination forms before the board. With regard to the proposal which is before you tonight, this should not be about questioning the policy, but about approval of this dedication, which has already met the criteria of the policy you approved.

Another policy issue which came up at the last meeting was with regard to remote participation in board meetings. And to correct Ms. Boyle, who commented that the public was invited to come to the committee meetings, but no one did – Mrs. Reiser attended at least two of the committee meetings when this was discussed, as did several other community members.

It is just absurd that this discussion has even taken up this much of the board's time. For a district which promotes and celebrates "Classrooms of the Future" and other advances in technology in our schools, it is silly that there is this much haggling about using the phone. Our district Technology homepage even boasts, "Video-conferencing and wireless technology expands our network to add flexibility and accessibility." What are we doing here? If a board member is so committed that he or she is willing to call in and participate, when physical attendance is impossible, why are we fighting it? The arguments against it are obviously contrived. It really makes us look silly to keep beating it into the ground. Can we just pass the policy and get on with things?

The final issue Mrs. Reiser would like to touch on in the financial crisis that is affecting our community and our district. With bated breath, we're awaiting the most recent proposed budget. Mrs. Reiser must say it is disheartening to hear the business administrator make a statement like "There is something for everyone to hate in this budget."

In the past weeks we have heard many people speak about the financial troubles our district has – listing figures and statistics and angry demands. Mrs. Reiser wants to know who has the solution. Mrs. Reiser knows that this is not the complete picture, but the view that the public gets about how we cut expenses is to chip and chop away at programs, staff and facilities. Revenues are down, investments are down, costs are up – what are we to do? Is there any hope for improvement?

At the January 21st Finance and Facilities Committee meeting Mrs. Reiser presented a list of ideas for saving and making money in the district. The ideas Mrs. Reiser had are not an instant resolution to this very serious situation, but rather a whole different approach and strategy for making and keeping money in the district. The best part is that everyone wins.

Thinking creatively needs to be our default mode. Here are some ideas to get us started, and some examples of how they are already working in the district.

1st idea is Community Partnerships

Many of our local schools have restaurant nights – families go to a certain restaurant on a certain day, the school gets a kickback. Restaurants give 5-20% back and the school averages \$200. Is there a way to expand on an idea like this district –wide? Everyone wins – customers get goods or services, local vendors get business and the

district gets a kickback. We can advertise on the Neshaminy channel and there is the possibility of involving high school business students in projects such as this.

2nd idea is Efficient Practices

In January when Mrs. Reiser spoke to the Finance and Facilities Committee she suggested taking small steps to use energy and other resources more efficiently, like turning off lights and computers. Two weeks later Mr. Paradise announced at a public board meeting that the computers are now set to shut down after an hour of non-use. Go Mr. Paradise! If Mrs. Reiser remembers correctly, he projects this would save the district \$80,000 a year.

What other ways can we be more efficient? Oliver Heckman PTO went paperless this year. All of our informational flyers are sent via e-mail. What if we push for this throughout the district, and even for flyers which come from outside the district? And for the record, please add Heckman to the list of schools with an Abitibi paper recycling bin.

Mrs. Reiser had a press release from Energy Star citing Council Rock as an Energy Star Partner of the Year. They improved their energy efficiency across the district by more than 30% and saved more than \$4.7M over three years. What can WE do? Are there grants or incentives for striving for more efficiency?

3rd idea is the Home and School Connection

We need to engage staff, students, families and community members across the district to create and commit to money-saving efforts and efficient practices in our schools, and to serve as leaders in their implementation. We can't just hand it down from the top and expect it all to fall into place. We need to include incentives, recognition and rewards to affect changes in a positive way.

One example of this in practice in our schools – we have two excellent teachers at Heckman who are working with fifth grade students and the local Rotary club on paper recycling project. Besides encouraging neighborhood residents to contribute paper, they are exploring the possibility of involving local businesses, to give them the opportunity to save paper removal costs, which will, in turn, benefit the school.

Some of these kinds of things are happening already, but creative, out of the box thinking, needs to be the default mode for saving and generating money in the district because we whittle away our programs, staff and facilities to nothing. If we are looking to trim the budget in bits and pieces let's give some serious time and attention to these small positive changes where everyone wins. Thank you.

Mr. Doug Brace, Feasterville, PA is a designer and stated that he would like to present more petitions to the Board. Mr. Larry Pastor was unable to attend the meeting this evening.

Mr. Steve Rodos, Villages of Flowers Mill, Langhorne, PA, stated that yesterday he was a substitute teacher at Neshaminy High School and today he was a coach for a blind golfer. Mr. Rodos thanked Mrs. Reiser for her intelligent and wise suggestions to the school board. Mr. Rodos thinks that all of them could produce a little more income where it is needed.

Every member of the school board spends too much valuable time bemoaning increases in the budget. Conversely, they spend little time addressing the underlying causes of the increases. In my opinion, the school board must establish a Budget Committee meeting monthly to track increases in spending and plan for an orderly reduction in expenses. The current method of waiting until the proposed budget is published in January, followed by working the public into a frenzy during the period from February through May must end. Inciting battles between taxpayers, teachers, and educational programs does little to convince the public that the board operates in a transparent and intelligent manner.

As Mr. Rodos interprets the budget information given to taxpayers, the expenses for total instructional programs plus pupil personnel, instructional staff support, and administrative support have risen in the last three years from \$113,907,000 to a proposed \$118,055,000, an increase of 3.6%, or \$4,148,000. At the same time, the remainder of the budget, which many of the board members refuse to question, has risen from \$38,807,000 to a

proposed \$49,152,000. That is a three year increase of 26%, or \$10,345,000, nearly two and a half times the dollar amount of the rise in staff salaries.

In looking at the current proposed budget, Mr. Rodos' initial change would be to triple the current Senior Citizen Tax Rebate Program and include in its coverage all qualified homeowners, regardless of age. This would offer immediate relief to all Neshaminy homeowners with a total household income of up to \$45,000, rather than the current \$15,000. The benefit would be immediate and not reliant on the state government, Harrisburg will take years to do anything beneficial for taxpayers. This change would indicate to the taxpayers that the Board shares their concern, and can help alleviate some of their financial burden.

Mr. Rodos would also eliminate all non-contractual increases in the proposed budget. This would reduce the proposed deficit by \$4,600,000. The budget must then be cut to lower those expenses which have been allowed to grow seemingly at will and unquestioned. Increasing the walking distance for students will not only adhere more closely to state guidelines, but could increase our reimbursement from the state and save taxpayers up to \$2,000,000. Yesterday's Courier Times had an article about Pennsbury's transportation budget which they said is \$8M. Neshaminy's is \$10M. They claim 11,000 students are transported and we have 9,000 students. Why do we pay \$2M more than they are paying? Greater scrutiny of Professional Services may save up to another \$1M. Centennial School District is bringing back some classes from the IU to do them in house in order to save approximately another \$150,000. Dr. Rattigan in her committee study of kindergarten options had eight options, none of which were ever discussed by the board. Option H which was the last option had \$144,000 savings. No one ever discussed same and it appears the Board was not interested in saving \$144,000. The aforementioned reductions could save Neshaminy taxpayers up to \$7,000,000 without impacting our valuable educational programs.

In the future, the Board should join with school districts around the state in an effort to get both Harrisburg and Washington to fund their education mandates. We must work to encourage Pennsylvania to help pay busing costs for students we are required to transport outside of the district to private day schools. State pensions and employee benefits must be revised to obtain either a larger contribution from employees or a more sustainable and realistic benefit formula.

While the School Board spends its time demeaning the valuable work of the teachers and support staff and asking for give-backs of those items which they themselves so freely and quickly gave away in prior contract negotiations, they have totally neglected to rein in the expenses over which they had control.

I urge the teachers and the Board to continue meeting in an effort to reach an amicable solution to ease the taxpayer's burden in these difficult economic times. This will require creative thinking and actual negotiation, not just posturing, from both sides.

Student Representative Report

Miss Meshael Jones, Student Council Treasurer, and Miss Betsy Thomas, Student Council Vice-President provided the following student representative report:

- Softball Team and Soccer Team are in pursuit of the league championships.
- Track athletes have qualified for the District Championships.
- Vocal music trip will be attending a trip to the Bahamas.
- French students returned from the Quebec trip.
- Spring drama will take place next week from Wednesday through Sunday.
- Senior Prom will be held on Saturday.
- Boy's Volleyball team captured the Quakertown tournament.
- Girl's varsity track team defeated themselves.

Superintendent's Report

Dr. Muenker provided the following updates:

- Oliver Heckman was practicing in the Auditorium for the Putting on Hits show and Dr. Muenker thanked them for their patience with the change of venue for the meeting this evening.

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- American Cancer Society has provided a certificate for raising money by Neshaminy High School, Carl Sandburg, Oliver Heckman, and Maple Point raising over \$4,600 for the American Cancer Society.
- Pearl Buck students received honorable mention for their Earth Day Poster Contest.
- Oliver Heckman had a Career Service Learning Program.
- Earth Day was celebrated by numerous Neshaminy Schools.
- Herbert Hoover sponsored a Garden Party for clean-up.
- Schweitzer students went to United Artists Theater to see the Disney movie "Earth."
- Pearl Buck chorus provided a presentation on April 25th.
- Walking Club will be held at Lower Southampton Elementary during recess time.
- Neshaminy Idol performance was held at the High School for its fourth season which raised funds for the March of Dimes and American Cancer Society.
- Annual Art Show will be held in Gym A at the High School which showcases student's work.
- Swine Flu outbreak information was placed on the website.

Approval of Minutes

Mrs. Walls presented the minutes of the March 24, 2009 and April 14, 2009 public meetings. Upon motion of Mr. Blasch and seconded by Mr. Koutsouradis the Board unanimously approved the minutes of the March 24, 2009 and April 14, 2009 Public Meetings.

Approval of Treasurer's Report, Check Registers, Investments, and Exonerations of Personal and Per Capita Tax

Mr. Paradise presented the following for approval:

- March, 2009 Treasurer's Reports, subject to audit
- Check Register – March, 2009
- Investment Summary
- Personal and Per Capita Tax Exonerations – March, 2009

Mr. O'Connor moved the March, 2009 treasurer's reports, subject to audit, check register, investments, and exonerations of personal and per capita tax be approved. Mr. Koziol seconded the motion.

The Board unanimously approved the Treasurer's Reports, subject to audit, check registers, investments and personal and per capita tax exonerations.

Bids and Budget Transfers

Mr. Paradise presented the following Bid and Budget Transfer. Information was distributed prior to the meeting.

Bid No. 10-01 General School Supplies

Amount: \$188,226.20

Bid Description: Various Classroom and office supplies for use throughout the district for the school year 2009/2010.

Bid No. 10-01 General School Supplies and Budget Transfer Report (Working Copy) No. 09-5 was presented for approval. The Board unanimously approved same.

Certified and Support Personnel Reports

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
- 2008/2009 Recommended Extra-Curricular Staff and Salaries

Mr. Blasch moved the Certified and Support Personnel Reports be approved. Mrs. Cummings seconded the motion.

Dr. Spitz noted that two of the retirements are principals. Dr. Spitz thanked Joan Chak and Mark Collins for their dedicated work over the years in Neshaminy School District.

Dr. Muenker also thanked the retiring support personnel who are retiring with 24 and 35 years experience and the dedicated service they provided to Neshaminy School District.

The Board unanimously approved said certified and support Personnel reports.

Motion: Election of Superintendent of Schools

Ms. Boyle presented the following motion:

WHEREAS, Paul J. Kadri has resigned as Superintendent of the Neshaminy School District;

WHEREAS, the Board of School Directors of Neshaminy School District desire to elect Louis T. Muenker, D.Ed. as Superintendent of the School District;

WHEREAS, the Board of School Directors of Neshaminy School District desire that Louis T. Muenker, D.Ed. serve as District Superintendent pursuant to the terms of the contract prepared by the School District's Solicitor; and

WHEREAS, Louis T. Muenker, D.Ed. is agreeable to serve as District Superintendent in accordance with the terms of the Contract prepared by the School District's Solicitor.

NOW, THEREFORE, BE IT RESOLVED, that the Board of School Directors elects Louis T. Muenker, D.Ed. to be the Superintendent of the School District for a term commencing on May 1, 2009 and ending on June 30, 2012, in accordance with the Pennsylvania Public School Code.

AND, BE IT FURTHER RESOLVED, that the Board of School Directors approve the Superintendent Contract of Employment as prepared by the District's Solicitor and authorize the Board President and Secretary to execute said Contract.

Mr. Eccles seconded the motion.

Dr. Spitz stated that he is going to have to vote against this motion and it is not because he believes that Dr. Muenker is not qualified or not doing a good job, however, this motion was not properly placed on the agenda by the Board President and it has appeared by magic. The Board was given the contract proposal on Friday and more time is needed to review the proposal. Dr. Spitz has questions regarding the contract. Dr. Spitz does not believe that Dr. Muenker should not have the position; however, the process was not carried out properly.

A roll call vote was requested. The roll call tally indicated that the motion passed by a vote of seven ayes (Mr. Blasch, Ms. Boyle, Mrs. Cummings, Mr. Eccles, Mr. Koutsouradis, Mr. Koziol, Mr. Webb) and one nay (Dr. Spitz). Mr. O'Connor abstained from the vote due to a child seeking a full time teacher's position in the district.

Dr. Muenker thanked everyone for their continued support.

Motion: Dedication of the Harry M. Dengler, Jr. Performing Arts Center

Dr. Spitz presented the following motion:

WHEREAS, Harry M. Dengler, Jr. faithfully served the children of the Neshaminy School District as a music teacher for 31 years; and

WHEREAS, Mr. Dengler began his career as a classroom music teacher at the Walter Miller Elementary School, and then ten years later went to teach at Neshaminy High School; and

WHEREAS, when Neshaminy Maple Point High School was opened, Mr. Dengler was assigned to teach Harmony & Theory classes to freshman, along with symphonic choirs, and Concert choirs; and

WHEREAS, during his tenure at Maple Point he was responsible for conducting many shows like Showboat, the King and I, and Bye Bye Birdie; and

WHEREAS, for 15 years from 1975 to 1990, Mr. Dengler was also the musical director for Neshaminy's Summer Stock program which resulted in even more shows, like the Sound of Music, The Music Man, and others; and

WHEREAS, the naming of any portion of the Neshaminy School District in someone's honor is one of the highest acts of recognition the Neshaminy Board of School Directors can bestow for an individual's contribution to our children and community.

NOW, THEREFORE, BE IT RESOLVED, that the Neshaminy Board of School Directors hereby rename the Neshaminy Maple Point Auditorium as the Harry M. Dengler, Jr. Performing Arts Center.

BE IT FURTHER RESOLVED, that a dedication ceremony be scheduled and conducted sometime in the near future to honor Mr. Dengler and rename the facility.

Mr. Blasch seconded same.

A roll call tally was requested. The roll call tally indicated that the motion passed by a vote of seven ayes (Mr. Webb, Dr. Spitz, Mr. O'Connor, Mr. Koutsouradis, Mrs. Cummings, Ms. Boyle and Mr. Blasch) and two nays (Mr. Koziol, Mr. Eccles).

Motion: Approval of the IU Special Education Contracted Services for 2009-10

Mr. Ritchie Webb presented the following motion:

WHEREAS, the Neshaminy School District is required by law to provide special education and related services to children from pre-school through age twenty one; and

WHEREAS, a significant number of our students have severe mental and physical disabilities for which we do not operate programs.

NOW, THEREFORE, BE IT RESOLVED, that the Neshaminy Board of School Directors approves the contract for special education services with the Bucks County Intermediate Unit 22 for the 2009-10 school year.

Dr. Spitz seconded the motion.

The Board unanimously approved said motion.

Motion: Approval of the Bucks County Technical High School 2009-10 Budget

Mr. Blasch presented the following motion:

WHEREAS, in order to provide technical high school education for our students, six Lower Bucks County School Districts cooperatively established the Bucks County Technical High School; and

WHEREAS, each participating school district must annually approve the Technical High School's annual budget.

NOW, THEREFORE, BE IT RESOLVED, that the Neshaminy Board of School Directors approves the 2009-10 Bucks County Technical High School budget in the total amount of \$22,412,118 with the Neshaminy School District 2009-10 net fiscal payment to be \$3,921,993.

Mr. Koutsouradis seconded the motion.

A roll call tally was requested. The roll call tally indicated that the motion passed by a vote of seven ayes (Mr. Blasch, Ms. Boyle, Mrs. Cummings, Mr. Eccles, Mr. Koutsouradis, Mr. O'Connor, and Dr. Spitz) and two nays (Mr. Koziol and Mr. Webb).

Motion: New Policy 131 and Revision of Policy 510

Mr. Webb made a motion to separate new Policy #131 and the Revision of Policy #510. Mr. Eccles seconded same.

The motion passed by a vote of eight ayes and one nay (Mr. O'Connor).

Mrs. Cummings presented the following motion:

WHEREAS, in order to keep District Board policies updated and current, new policies and revisions are recommended by the administration to the Board Policies Committee for review; and

WHEREAS, recommended policies meet the requirements of Federal Law; and

WHEREAS, after review by the Board Policies Committee, the District is ready to recommend:

New Policy 131 – Participation in Public Meetings through use of Electronic Communication Equipment

NOW, THEREFORE BE IT RESOLVED, that the Neshaminy Board of School Directors approve the new Policy and revised Policy as recommended by the School Board Policies Committee.

Mr. Blasch seconded the motion.

A roll call tally was requested. The roll call tally indicated that the motion failed by a vote of four ayes (Dr. Spitz, Mr. O'Connor, Mrs. Cummings and Mr. Blasch) and five nays (Mr. Webb, Mr. Koziol, Mr. Koutsouradis, Mr. Eccles, Ms. Boyle).

Mrs. Cummings presented the following motion:

WHEREAS, in order to keep District Board policies updated and current, new policies and revisions are recommended by the administration to the Board Policies Committee for review; and

WHEREAS, recommended policies meet the requirements of Federal Law; and

WHEREAS, after review by the Board Policies Committee, the District is ready to recommend:

Revised Policy 510 – Alcohol and Other Drugs

NOW, THEREFORE BE IT RESOLVED, that the Neshaminy Board of School Directors approve the new Policy and revised Policy as recommended by the School Board Policies Committee.

Mr. Eccles seconded the motion.

The Board unanimously approved said motion.

Update: Presentation on Revisions to Proposed Budget

April 28, 2009

Mr. Paradise provided the following presentation:
(See Attachment A).

Federal Programs

Dr. Muenker advised that there is no current update.

Other Board Business

None.

Public Comment

Mr. Solis Basen, Villages of Flowers Mill, Langhorne, PA, congratulated Dr. Muenker on his new position and wished him well. After Mr. Paradise's remarks Mr. Basen stated that he and many seniors support what was presented this evening. Hopefully, the Board will also support same. Finally, unfortunately because of economic conditions these actions need to be taken. The children are still the most important factor in the entire equation.

Mr. Richard Sypek, Langhorne, PA, stated that over the years some of the money will grow back into the budget again, but the union negotiations are still needed to be worked on. Look at that as a place to save the difference. Negotiate hard and get the \$14M back and look at the upcoming years. If it is not done right this time, budgets are only going to go up and up.

Mr. Steve Young, Langhorne, PA, stated that he is a writer/author and he stated that thinking out of the box is a good thing and possibly corporate sponsorship could be a way to provide funds. Corporations may want to lend a helping hand and maybe E-bay could be a possible place for promotion and publicity. Public relation is a wonderful thing. Mr. Young addressed Policy #131 and phone technology and is concerned about all the qualified people who would not be able to participate because they do not have access to coming on a regular basis. This school board if voting today would probably take exception to the Internet, e-mail and perhaps the telephone. Progress is necessary and moving ahead is necessary. Examine technology available in the 21st Century.

Mrs. Linda Brookshaw, Langhorne, PA, stated that she is a teacher but not within the Neshaminy School District. Mrs. Brookshaw stated that the enrollment has gone down by 2000 students and should be addressed. Look at the population and say that we need to have the best teachers possible. Her children have been fortunate to have had great teachers, but we need to pay our teachers. We are not going to attract good teachers. We need to look at the teachers and be proud of them, stop writing bad things about them in the paper, stop making it seem like the teachers are the reason why there is a \$14M deficit. Mistakes have been made while doing the high school. The teachers need to be supported 100% and realize that they are doing a really hard job with a population that is decreasing. Class sizes getting higher is not allowing them to make AYP and meet all the special needs. Everyone needs to be supportive of the teachers and back off of the public's position on the union negotiations and let it be a private session. The teachers are doing a fabulous job and they need to know that the public supports them. The contract may take a while, but it needs to be a good contract, so that more families will be attracted into the district.

Board Comment

Mr. O'Connor inquired regarding the air conditioning situation at the high school. Mr. Paradise advised that the issue was today and it was related to a power failure which has been resolved. It was for a few hours this morning.

Mr. O'Connor also questioned a fire alarm issue which occurred last week. Mr. Paradise advised that it was related to a pressure issue and the alarm performed correctly, however, a learning curve that staff in the building must go through in order to prevent things like that happening in the future. All contractors are still on site and the issues have been addressed.

Dr. Muenker echoed the paragraph of Mr. Paradise's report and there are many dedicated employees present at the meeting this evening from the support staff, NFT and administrators. It comes with a heavy heart to have this conversation in front of this group regarding cuts. Every person comes with a story, face and a family. If there were other ways to accomplish and meet our obligations as a public school entity come June we would certainly entertain them. We will work and continue to be vigilant about what we can do to minimize the ugliness of layoffs, but the

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realities of where we are today in April, 2009, we must face and deal with same. It is very difficult on a personal level since Dr. Muenker has worked with so many of the people by their sides and they continue to be dedicated employees at all levels, no matter what the position. The recommendations this evening do not come without of a lot of sincere sleepless nights. Dr. Muenker felt the need to share these comments and stated that really difficult discussions have been had and the district is looking at every possible way to minimize the effects of this recommendation. People are doing their jobs everyday and it is appreciated. Contracts will be resolved at some point. But we continue to be dedicated to the students and try to do that the best way possible.

Mr. Koutsouradis thanked the public for the support with the dedication of the Harry M. Dengler, Jr. Performing Arts Center.

Mr. Koziol congratulated Dr. Muenker and Mr. Paradise in showing leadership qualities that have not been seen in this school district in many years. Two men have come out from behind the shadows and answering the bell.

Mr. Webb stated that this evening's meeting was very difficult for the Board to hear. This was one of the concerns regarding the electronic/telephone voting. Mr. Webb stated that he may change his position if it could be designed to work correctly.

The Board has an open invitation to the NFT should they decide that they would like to continue discussions.

Adjournment of Meeting

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

Respectively submitted,

A handwritten signature in black ink, appearing to read "Anita E. Walls". The signature is fluid and cursive, with a large, stylized "W" at the end.

Anita E. Walls
Board Secretary

Neshaminy School District 2009-10 Proposed Budget Recommendations April 28, 2009

In the spring of 2008, on many occasions, I stated that our original plan to close Neshaminy Middle School when we opened the new high school in 2009 might not be affordable. In other words, we were using too much of our fund balance to maintain all the existing facilities, and it would be the recommendation of the Administration to close that building one year earlier. Though it was difficult, the Board accepted that recommendation, and that step helped improve our path; however, the gathering economic storm clouds were yet to create additional problems for us.

In November and December 2008, I made a presentation to Board of School Directors about how the national and global economies were taking a dramatic turn for the worse, and how this was affecting district finances even more so just a few months prior. I further explained that an analysis of our current revenues had revealed a dramatic slowdown in local tax collections. These factors will result in a tax revenue shortfall this fiscal year of as much as \$2 MILLION and yet another \$2 MILLION next budget year.

In addition, our preliminary audit released in November, when added to the previous year, revealed that we had spent over \$8.8 MILLION in accumulated savings or fund balance by trying to maintain the status quo without the tax revenue to do so. This two year usage was the largest expenditure of fund balance in the history of the school district. It was painfully clear that we were on a path that required further modification in order to return to a financially sound direction.

As everyone is well aware by now, the proposed 2009-10 budget for our existing staff, facilities, and programs, will result in a projected budget deficit next year of in excess of \$14 million. Even if it were legally sustainable to raise taxes by this much, it would certainly far exceed our community's ability to pay. Such a budget would result in a tax increase of 12.5% or \$515.00 for the average taxpayer in the school district. The use of our fund balance over the prior fiscal years makes it clear that we have been spending more than our annual revenues should allow. Simply stated, we have been living beyond our means.

As a result, changes are necessary in our proposed budget. These changes have been reviewed extensively by Dr. Muenker and I, and fall within the following categories:

1. **Decrease in Enrollment** – Enrollments have decreased from over 10,000 students in 2000 to a projected 8,774 next year.
2. **Alteration of educational programs** - Certain educational programs will be altered to better and more efficiently provide services needed by students today.
3. **Consolidation of Schools** – It has been part of our long range plan for many years that

in 2009 we would move the remaining 9th grade middle school students to one High School and as such we would achieve staff efficiencies from the consolidation.

EXPENDITURE BUDGET REVIEW

One of the first steps in reviewing the potential for budget reductions is to go through the budget line by line. The actual detailed budget document is many hundreds of pages. The process starts in July of each year for the budget that begins a year later. The budget is a zero based budget and is therefore built from the ground up each year. Each department and school makes requests to fund specific items that are needed for the upcoming school year. Each request goes through a level of review and approvals, and reductions are made along the way.

However, this year, when we realized the national economic picture was so dire and we were projecting such a huge proposed budget deficit, it was clear that I would again have to review every one of the thousands of line items, and make even more substantial reductions. The latest and most recent round of these changes, which has occurred over the last 6 weeks, has resulted in further budget reductions of \$3,414,733. The Board will be provided with a list of these cuts by account number; however, in general terms, what is most important for everyone to realize is that it WILL NOT BE BUSINESS AS USUAL next year in Neshaminy.

Many of these cuts reduce discretionary spending to their bare minimum. The entire staff, and community, must understand that in the 2009-10 school year, complicated by the harsh economic decline, and the severe budget crisis facing the district, there will be minimal dollars to do things other than that which is legally required.

Furthermore, in addition to the \$3.4 Million, an additional \$400,000 will be reduced in the following areas:

- all per pupil allocations in the district will be reduced by at least 20%
- all support staff overtime will be reduced by at least 50%
- all accounts for the purchase of supplies (other than per pupil allocations) will be cut by 30%
- all accounts for travel purposes, will be reduced by 50%
- all accounts for the purchase of any capital equipment item, not already reduced elsewhere, will also be reduced by 50%

STAFFING

ADMINISTRATION

Dr. Muenker has shared with the board a plan to reduce a Cabinet Level position, and reduce one line level Administrative position in Human Resources as well. These position reductions have resulted in an increased work load among the remaining Cabinet level staff, and those savings, along with other related expenses, will result in a budget reduction in excess of \$300,000.

CERTIFIED & SUPPORT STAFF CHANGES FROM THE CONSOLIDATION OF 9TH GRADE FROM 3 MIDDLE SCHOOLS TO HIGH SCHOOL

As a result of very in depth meetings, discussions and detailed scheduling runs with actual student course request data, we are certain of being able to reduce at least 27 teaching positions next year. These position eliminations are the result of the planned school consolidation program which will place all Neshaminy 9th grade students under one roof and one program.

These consolidations will also result in reductions of school support staff in numbers yet to be specifically determined, and still under review. This relates to only the high school. Further support staff reductions will be noted later.

SCHEDULING EFFICIENCIES/ALTERATIONS

In addition to the staff outlined above, we are recommending the following minimal alterations to educational programs . Most of these staff changes are the result of decreases in enrollment or students served. Others are the result of program changes. These changes will result in minimal reductions of the following follow areas:

- Music
- Academic Enrichment
- Art
- Physical Education.
- Pre-first
- Languages

What is very important to note here is that even with these reductions WE WILL STILL ARE COMMITTED TO SUPPORT OUR EDUCATIONAL PROGRAMS. We have the ability to create these reductions through more efficient scheduling.

TRANSPORTATION

We spend \$10.6 million each year to transport over 11,000 students to over 100 public and

private schools in the area. However, our transportation policies have over the years been modified to meet community and individual requests. Such personalization of a transportation network, after time, results in lost efficiency and increased costs that cannot be sustained. Therefore, I am recommending the following changes to our transportation program beginning in September –

- In accordance with previous board discussion, we will eliminate mid-day kindergarten transportation
- We will reduce Late Runs for secondary schools, public and private, to ONE per day compromised time.
- Some years ago, we were able to consolidate bus stops for secondary school students. I am now recommending that we should expand these consolidations to all levels. This will mean that some students will be required to walk further to bus stops however; our transportation network needs to be both safe AND EFFICIENT during these difficult times. This will increase our efficiency and lower our costs.
- The total savings from all of these recommendations is approximately \$637,000.

SUPPORT STAFF

I will be recommending the reduction in force of 25 support and middle management position. The details of these reductions are still being worked out, but they are across the board and in every area of the school district.

FACILITY USAGE FEES

We will have no choice but to change the reimbursements charged for outside use of our facilities. For too long, our costs have far outweighed the fees we have charged. Therefore, I am recommending a complete revamping of both the “for profit” and “non-profit” fees charged to more accurately represent our actual costs. It is estimated that these changes will bring in additional revenues of approximately \$100,000.

PAY TO PLAY FEES

Rather than eliminate or curtail certain sports, or activities, it is my recommendation that we continue to provide them as best we have in the past. However, I am recommending a pay-to-play fee which would be assessed against any student participating in any extra-curricular or co-curricular activity. The fee can be designed in any way amenable to the board. My budget proposal only suggests fees which would collect \$250,000 district wide, even though our expenditures for student activities are \$1.6 million. The program should be designed to provide reduced fees for multiple activities per student and/or family. If the Board wishes to increase revenues further from such a PAY to PLAY program, the fee structure can be increased over that being recommended. If the concept of this program is

not approved, then removing it from this list would require something of suitable savings to replace it.

SUMMER WORKER PROGRAM

The summer worker program is one that has a long rich history in Neshaminy. We utilize budgeted funds to hire temporary summer workers, including many college students, in order to accomplish much facility work that may only be completed in the summer months. This coming year, we have budgeted \$114,000 for this program. Even though we feel this program has tremendous merit, because of the many cuts, and job losses noted earlier, it will be our recommendation that we cancel the summer worker program for the summer of 2009.

LONG TERM SERVICE AWARDS

Each May, the Board and Administration provide long term service awards to thank employees for their respective periods of long term service with the District. It is also customary to provide a reception after the event. While guests would pay a fee to attend this event, employees receiving awards did not pay. The combination of both the cost of the event, and the idea of a "celebration" right as the Board & Community were seriously considering the effects of significant budget and staff reductions, was felt to be inappropriate. Therefore, we have decided to cancel the reception after the Long Term Service Awards on May 5. We will however, still have the awards presentation in the Maple Point Auditorium prior the board meeting.

STIMULUS FUNDS

While the hope of stimulus funds was better the reality, we do expect to receive approximately \$1.5 million that we can properly apply to this coming year. The balance of the funds will be allocated in the following year. These funds will assist us in improving this budget recommendation.

TASK FORCE

As everyone is aware, the Board had some discussion about reducing school facilities as a result of continued declining enrollments and the lower facility utilization percentages. It appears that we could close an elementary school or perhaps another middle school. This would result in further efficiencies in the district and should be seriously considered. It is therefore our administrative recommendation that the Board create a special Committee with the specific goal of addressing facility utilization, with the following action plan in mind:

- Study the McKissick data in a series of public meetings and make a recommendation to the Board no later than October 15, 2009.
- Request that the Board take specific action no later than January 15, 2010.
- Finalize a redistricting plan, if necessary, by March 15, 2010.
- Approve any facility changes before the end of the 2010-11 school year.

SUMMARY

These are indeed challenging times, and this report is full of very difficult choices. All of the recommendations made will result in budget savings or additional revenues of \$10,035,798.

When applied to our Proposed Preliminary Budget it will modify the tax rate increase from an unacceptable and unaffordable 12.5% tax increase to a 3.6% tax increase. This is UNDER the Act 1 limits.

There are members of the Board and the public who would like to see a zero tax increase. I would certainly agree with that sentiment, "that I would like to see it", but must state that I feel it could not continue supporting the students of Neshaminy as well as we have in the past with such a budget. And yes, I am saying that both Dr. Muenker and I feel we can properly serve the needs of our students with this dramatically pared down budget, but do not feel it is achievable to go further.

One final note. As part of this budget proposal, we must not lose sight of the fact that people will be losing their jobs. These are people who live and work in our community and are dedicated to serving our students. Knowing that, it is with great sadness that we make these recommendations, but also little choice. These combined recommendations will result in the reduction of approximately 65 positions.

The Board will continue to review these and other changes as part of our budget development process until the budget is approved in June. We continue to refine our recommendations and look forward to receiving the Board's input in the coming weeks.

It is also important to note that if the Board wishes to remove reductions and/or fees from this list, that corresponding reductions and/or fees must be added to the list in order to accomplish the same net tax effect.