

NESHAMINY SCHOOL DISTRICT
Langhorne, Pennsylvania

PUBLIC WORK SESSION MINUTES
NESHAMINY BOARD OF SCHOOL DIRECTORS
February 13, 2007

The Neshaminy Board of School Directors met in public work session on February 13, 2007, in the District Offices Board Room in the Maple Point Middle School. The following persons were in attendance:

BOARD MEMBERS:

Mr. Richard M. Eccles, President
Mrs. Sue C. Barrett, Vice President
Mr. Joseph Blasch
Mr. Jason Bowman
Ms. Irene Boyle
Mrs. Susan Cummings
Mr. Frank Koziol
Dr. William H. Spitz
Mr. Ritchie Webb

ADMINISTRATORS:

Mr. Paul J. Kadri
Dr. Louis T. Muenker
Dr. Geeta Heble
Mr. Joseph V. Paradise
Dr. Jacqueline Rattigan

OTHERS: Approximately 6 persons from the public, staff and press

SECRETARY:

Mrs. Anita E. Walls

SOLICITOR:

Thomas J. Profy, III, Esquire

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. Announcements

Mr. Eccles stated that due to the weather conditions the agenda would be slightly taken out of order in the event that weather conditions deteriorate.

4. Public Comment

Mr. Solis Basen, Villages of Flowers Mills, Langhorne, PA, stated that the seniors are not happy with Act 1, however, since the Board must make a choice, they would like to see that the Board vote for an earned income tax as opposed to a personal income tax.

5. Items for Approval

a) Adoption of 2007 - 08 Preliminary Budget

Mr. Paradise advised that the Board must adopt a preliminary budget in accordance with the Pennsylvania School Code and Act 1 of 2006.

Motion: Adoption of the 2007-08 Preliminary Budget

Mr. Blasch presented the following motion:

WHEREAS, in accordance with Act 1 of 2006, the Board of School Directors has received a Preliminary Budget for the 2007-08 fiscal year; and

WHEREAS, the Preliminary Budget was made available for public inspection on form PDE-2028 effective January 24, 2007; and

WHEREAS, in order to further comply with Act 1, the Preliminary Budget must be adopted by the Board of School Directors on or before February 14, 2007; and

WHEREAS, Act 1 further provides for "referendum exceptions", which must be submitted and approved to the Pennsylvania Department of Education on or before February 22, 2007.

NOW, THEREFORE, BE IT RESOLVED, that the 2007-08 Preliminary Budget is adopted in accordance with Act 1 of 2006 and same shall be made available for public inspection as required by law.

BE IT FURTHER RESOLVED, that the School District shall apply to the Pennsylvania Department of Education for exceptions specified under Act 1 as per the attached summary.

Mrs. Cummings seconded the motion.

Mr. Webb noted that this budget is being presented three months earlier than normal and that it is also strictly that, a Preliminary Budget. The budget document will be refined considerably over the upcoming months.

Mr. Paradise noted that this process is ensuring that the Board is in compliance with Act 1. From this point forward the district will start the process that it is more accustomed to which is working to bring the budget down.

The Board unanimously approved the motion.

b) Adoption of resolution authorizing our intent to adopt an EIT or a PIT

Mr. Paradise stated that the Board must provides its notice of intent to adopt the May ballot question for an EIT or PIT in accordance with Act 1 of 2006.

Motion: Adoption of Resolution Authorizing Intent to Adopt an EIT or PIT

Mr. Bowman presented the following motion:

RESOLUTION AUTHORIZING NOTICE OF INTENT TO ADOPT
RESOLUTION AUTHORIZING THE MAY 15, 2007 BALLOT
QUESTION, NOTICE OF INTENT TO ADOPT RESOLUTION
AUTHORIZING THE ASSESSING AND LEVYING OF THE
ACT 1 INCOME TAX IF APPROVED BY VOTERS AND
NOTICE OF PUBLIC HEARING

RESOLVED, by the Board of School Directors of Neshaminy School District, as follows:

1. The Secretary is authorized and directed to advertise Notice of Intent to adopt a Resolution Authorizing the May 15, 2007 Referendum Question and the Levying and Assessing of the Act 1 Earned Income & Net Profits Tax or Personal Income Tax in substantially the form attached hereto. The Notice shall be advertised in a newspaper of general circulation and in the Bucks County Law Reporter and shall be posted conspicuously at the School District offices.
2. The School District shall make the Resolution Authorizing the May 15, 2007 Referendum Question and the Act 1 Earned Income & Net Profits Tax or Personal Income Tax Resolution

available for public inspection by any resident at the School District offices subsequent to their approval by the Board of Directors.

3. The School Board will hold a public hearing concerning the Resolution Authorizing the May 15, 2007 Referendum Question on Tuesday, March 13, 2007 at 7:00 p.m. in the board meeting room of the Maple Point Middle School, 2250 Langhorne-Yardley Road, Langhorne, PA.

Resolution adopted this _____ day of _____, 2007.

NOTICE OF INTENT TO ADOPT ON MARCH 13, 2007, A RESOLUTION AUTHORIZING THE MAY 15, 2007,
PRIMARY ELECTION BALLOT QUESTION AND THE LEVYING AND ASSESSING OF AN EARNED INCOME & NET
PROFITS TAX OR
PERSONAL INCOME TAX UNDER ACT 1 OF 2006
AND NOTICE OF MARCH 13, 2007 PUBLIC HEARING THEREON

NOTICE IS HEREBY GIVEN that the Board of School Directors of the Neshaminy School District (the "School District") will at a public meeting to be held on Tuesday, March 13, 2007 at 7:00 p.m., in the Board Meeting Room of the Maple Point Middle School, 2250 Langhorne-Yardley Road, Langhorne, PA adopt a Resolution authorizing the May 15, 2007, Primary Election Ballot Question and the levying and assessing under Act 1 of 2006 of either an Earned Income and Net Profits Tax or Personal Income Tax. The public hearing will be held on Tuesday, March 13, 2007 at 7:00 p.m. pertaining to the proposed adoption by the Board of School Directors of a Resolution consistent with the provisions of the Taxpayer Relief Act of 2006 (Act 1), which requires that the School District adopt a Resolution for the purpose of placing a referendum question on the ballot for the Primary Election to be held on May 15, 2007, in order to secure the will of the electorate as to whether the School District should adopt an earned income tax ("EIT") or a personal income tax ("PIT") as a means of providing real estate tax relief.

The Tax Commission appointed by the School District made no recommendation on the question of whether to adopt an earned income tax or personal income tax, but rather, submitted a report to the School District wherein the Commission advised that a majority of members of the Commission do not want either an earned income tax or personal income tax imposed on the residents of the School District. The Board of School Directors of the School District cannot, as a matter of law, accept the suggestion contained in the report of the Commission.

The School District will consider approving a referendum question to be submitted to the voters, which if approved, would adopt an EIT of 1% which would result in an increase in tax revenue of approximately \$13.9 million in the first full year of collection which would be used to reduce real estate taxes for all eligible taxpayers in the amount of \$576 per eligible homestead or farmstead. The School District will also consider, for submission to the voters, the adoption of a PIT at a rate of .9%, which would result in the same increase in tax revenue and the same reduction in real estate taxes for each eligible homestead or farmstead as an EIT of 1%. Act 1 authorizes, and the School District will also consider for submission to the voters, adopting either an EIT or PIT with rates within the ranges set forth below which would result in the increases in annual tax revenues and increases in real estate tax rebate for each eligible homestead or farmstead in approximate amounts as follows:

<u>Annual Tax Revenue</u>	<u>EIT</u>	<u>PIT</u>	<u>Real Estate Tax Rebate</u>
\$27.8 million	2.0%	1.8%	\$1,150
to	to	to	to
\$54.0 million	3.8%	3.5%	\$2,210

The purpose of the proposed EIT or PIT is to fund a uniform amount of reduction in real estate taxes for all eligible homesteads or farmsteads necessitated by the requirement of the Taxpayer Relief Act of 2006 (Act 1), which requires that a referendum be submitted to the electorate at the primary election to be held on May 15, 2007.

The public hearing to be held at the time and place set forth above will be held prior to the adoption of the Authorizing Resolution and public hearing will be open to the public, and residents and taxpayers of the School District are encouraged to attend and participate in the public hearing as permitted by law.

ANITA E. WALLS, Secretary
Neshaminy School District

Mr. Koziol seconded the motion.

Ms. Boyle suggested that literature be available to the general public regarding the EIT or PIT. Mr. Paradise suggested that the document provided by PFM would provide the best explanation of both taxes. Mr. Paradise further stated that the information has been available on the Neshaminy website for several months.

Mr. Webb noted that further discussion would take place at the Finance and Facilities Committee Meeting which will be held on February 21, 2007.

Mr. Eccles stated that he is appalled at the state for their lack of imagination and leadership and the wasteful spending which forces local districts to enact resolutions that do not necessarily fit the districts.

The Board unanimously approved the motion.

c) BCIU #22 Programs & Services and Instruction Materials & Research Budget for 2007 - 08

Mr. Kadri advised that this item will be on the agenda for approval at the February 27, 2007 meeting. Mr. Kadri advised that the overall budget increase is 3.34%. There is no increase in the total contributions by local school districts.

Mr. Eccles inquired as to the advertising which takes place on the BCIU transportation vans and what amount is the BCIU is earning from this advertisement and, if they are not, why are they not. Mr. Eccles further questioned why this advertising is allowed on transportation vehicles which transfer students. Neshaminy vehicles do not contain any advertisement. Mr. Eccles further stated that he will not support any budget without a full and thorough explanation.

Dr. Spitz stated that he spoke with Dr. Coe and the advertising referred to is basically the holder for the license plate for each van.

Further discussion ensued regarding the advertisement issue by Board members as to whether or not it is allowed by the state to have advertisement on school district vehicles and student transportation vehicles.

Mr. Paradise noted that there are no Neshaminy vehicles that contain this type of advertising, however, Mr. Minotti stated that many of the vehicles used by the BCIU are being leased from certain dealerships and are not owned by the BCIU.

Mr. Kadri advised the Board that Mrs. Rattigan now has earned the distinguished title of Dr. Rattigan. Mr. Kadri congratulated Dr. Rattigan on this significant achievement.

d) Approval of Revised Board Policies

Board Policy #535	Weapons
Board Policy #110	Board Governance Standards/Code of Conduct

Dr. Rattigan made the Board aware that the District already has a weapons policy in place; however, the Committee is recommending that some definition be added to make same more clear. Definitions of the word "weapons" and the word "possessing" will be contained in said policy.

Dr. Rattigan advised that the PSBA has recommended that every district in PA adopt a policy on Board Governance Standards/Code of Conduct. The committee has taken the PSBA version and included further ideas.

Dr. Spitz raised a concern regarding the format for attending a PSBA conference and would it now be necessary to have a Board motion passed in order for a Board member to attend a conference.

Mr. Profy advised that if the Board policy is adopted and approved by the Board then that attendance would already have Board approval. The policy was in no way intended to discourage Board member attendance to said conferences.

Dr. Spitz advised that the current policy specifically mentions PSBA conferences. Mr. Bowman stated that the committee will further look into the specific policy and e-mail Board members with information prior to the public meeting.

e) Bid/Budget Transfers

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

Bid No. 08-20 Concrete Paving – Various Schools

Bid Amount: \$147,829.50

The bid is for concrete and curb repairs and ADA curb ramp installation at various schools throughout the District.

Mr. Paradise advised that Bid No. 08-20 and Budget Transfer Report Working Copy 07-3 will be presented at the public meeting for approval.

6. Superintendent's Report

Mr. Kadri provided Board members with a handout regarding the Gallup Organization which was presented to the Educational Development Committee and with their approval presented to the full Board. Mr. Kadri advised that the Gallup Organization is a research organization who has a focus on education, particularly K-12 education. The Gallup Organization has developed a tool for hiring applicants which measures talents for becoming a great teacher. Assessing talent is a very difficult task in the hiring process. An individual applying to a certain district would go on-line and complete the form, the district would receive a score, and this score can be used as one criteria for evaluating a candidate.

Mr. Kadri advised that the cost for said service is \$18,000 for the first year and \$12,000 every year thereafter. This tool will aide the district in the upcoming years in choosing the best possible candidates for teaching positions.

Board discussion ensued regarding the benefits of using the system provided by Gallup Organization and the advantages this system would offer to Neshaminy. Further discussions were held regarding how the scoring occurs. Mr. Kadri noted that the system can not be used on current personnel wishing to change positions within the district.

Dr. Muenker noted that by 2008 the district will be in a position wherein new staff members will be necessary since many staff members will be retiring. Mr. Kadri reviewed with Board members the process for filling full time positions in the district. The first place the administration must look at is the pool which is fueled from the day to day sub list. Contractually the district must take members from the pool. Only if the pool is exhausted can the district go outside the pool to obtain candidates.

Mr. Koziol inquired how a sub is located for a specific assignment for a specific day. Dr. Muenker advised that the subs check the internet on a daily basis for assignments.

Mr. Kadri advised that Phase III of Technology is the communication devices. Mr. Kadri provided a handout to Board members which contained dollar amounts for specific items. Mr. Kadri noted that a certain amount of money was allocated for Technology. The three phases took place this year and borrow the money over a four year note and get utilization of the technology up front.

Mr. Kadri offered to Board members that if anyone wished to discuss this topic with him he would be glad to provide an overview before the next public meeting.

Mr. Paradise advised that the \$2.5M will come from a short term bank note.

Mr. Kadri advised that the Lower Southampton Elementary School Principal search is in process. Four internal candidates and approximately 55 external candidates applied for the position. It was an exceptionally strong applicant pool. Phone interviews took place on approximately 20 applicants. Twelve candidates were then interviewed and a recommendation should be made at the next Board meeting. Mr. Kadri advised that the current principals' last day will be on the 15th and there will be internal shifting of vice-principals and the position will be covered for approximately 60 days before the new principal comes on board.

7. Items for Discussion

a) High School Construction Update

Mr. Paradise advised that the project is currently in week 30 and approximately \$11M has been paid out to date. Mr. Paradise introduced Mr. Damian Spahr from Reynolds Construction who provided Board members with the following up-date:

- New Gym is on schedule
- Unit G and K are the new classrooms which will be occupied by the end of this year
- Connector wing to Library, Gym, Cafeteria area and classrooms is also on track
- Boiler additions are tracking ahead of schedule
- Key plan is provided in the package

Mr. Spahr discussed with Board members the change order which was distributed regarding the roofing contract. The roofing contract was bid ahead of time to take advantage of 2005 pricing. This bidding took place with documents that were provided by the architect at the time. The contractor provided his bid based on the documents provided to them. The district took advantage of the low pricing and awarded the contract. As the roofer began the job a differential was noted and there is a substantial change in the pricing to provide the roof.

Mr. Webb inquired whether the drawings from ATS&R were incomplete. Mr. Spahr advised that ATS&R were not in a position to provide the type of documentation that would normally be provided for a thorough construction set of bid documents that would allow a contractor to bid six months earlier.

Mr. Webb would like to have a representative from ATS&R present at the next Board meeting to provide explanation of this situation.

Mr. Profy advised that further research would need to take place in order determine whether there is an exposure on behalf of the architectural firm and determine the status of documents at the time of bidding and knowing that there would be additional work. Mr. Spahr noted that the question which may need to be asked is did the architect have the responsibility to maintain the scope that they provided the district with documents to bid out the job between when they provided those documents and the final construction documents were issued.

Mr. Spahr advised that a \$3.2M contingency fund is in place. The size of the contingency is significant in case a situation like this arises. Mr. Spahr feels that at this time the contingency is significant and there is no reason to ask the Board to make any changes to the contingency.

Dr. Spitz inquired whether ATS&R was behind in the document production process and was it wise for the district to go out to bid on the roof knowing that these documents were not final.

Mr. Paradise noted that this is not a customary bid and it is a state contract bid and the results that we are dealing with tonight are not a customary change order. The district will now go back to the state bid, changing the square foot pricing, changing the actual prices that were bid, just as if the documents were complete in the beginning. Mr. Minotti explained to Board members the step by step process that took place in obtaining the referenced bid and the need for the change order. Mr. Paradise stressed that the final price that we are now dealing with is the price that we would have gotten if the drawings had been complete from the beginning.

Due to the inclement weather Mr. Eccles asked whether there was Board consensus to continue with the meeting. There was Board consensus to move forward.

Mr. Paradise and Mr. Profy were directed to look into the matter.

b) Personnel Committee

Mr. Kadri stated that this is an issue that he is strongly opposed to and he respectfully asked the since no one individual has spoken to him regarding why the Board would like to do this Mr. Kadri would like to have the discussion with the Board regarding same.

Mr. Webb stated that the issue has been discussed many times and is favor of creating a Personnel Committee. Mr. Webb is interested in a system of checks and balances within the system. He feels that the Administration is doing a fine job, however, a committee of this type would be beneficial.

Ms. Boyle suggested that possibly one member from the Board could have a non-voting capacity in order to just have a presence and have the opportunity to review resumes.

Dr. Spitz feels that this would interfere with the decision making process and that is why Dr. Muenker and Mr. Kadri have been hired for the district. Dr. Spitz feels that the checks and balances of the system needs to be that the process is fair, open and unbiased and that it does not short change internal candidates or external candidates. As long as the process is fair and unbiased that is what the Board needs to be concerned about.

Dr. Spitz addressed the issue of enrollment numbers and employment statistics. Dr. Spitz advised that grant positions need to be taken into consideration and the district has received 29 Federal grant positions which are fully funded.

Mr. Eccles inquired why the enrollment levels are decreasing and the employment levels are increasing.

Further Board discussion ensued regarding enrollment levels and staff positions.

Mr. Bowman stated that he is not actually concerned about looking at individual resumes; however, he is concerned that internal candidates are given high consideration for positions.

Mr. Kadri reiterated that he is very strongly opposed to a Board Personnel Committee. This Board has two main responsibilities, setting policies and hiring a chief executive officer to uphold the policies which operate this district. Mr. Kadri noted that it is his responsibility to go out and hire people that will be required to be held accountable to him to effectively run the district. Mr. Kadri stated that the only organization that he knows that has that type of structure is a political organization and that would open the door for politics to become part of the district hiring process.

Mr. Koziol noted that 80% of the total budget is related to personnel costs and the Board is responsible to the voters of the district. Mr. Koziol feels that a Personnel Committee is a necessary committee. Mr. Koziol further noted that PSBA provided a presentation regarding personnel issue.

Mr. Eccles noted that individuals on this Board are highly qualified and highly successful. Mr. Eccles is tired of hearing that Board members are not capable of doing a job and are not qualified. This Board is intelligent and very functional. The Board is responsible to the public and the public is asking for this Personnel Committee.

Mr. Kadri noted that if he could have gotten feedback from individual Board members he could have crafted a scope that would be acceptable. Such a committee would require parameters which would be acceptable.

There was board consensus to discuss the issue further and determine the scope of such a Committee.

c) Board Recognition

Mr. Blasch advised that he received a letter from a resident that a former teacher be honored by having an auditorium be named after that person. Subsequent to that Mr. Blasch has heard many comments that other individuals would like the same to occur for other individuals. Mr. Blasch is concerned that if there have been other requests, why have none of these requests come before the Board. Mr. Blasch stated that this request was written on February 18, 2005 and it was never brought before the Board.

Mrs. Cummings noted that this specific request was brought before the Education Foundation and at that time it was suggested that it come before the Board.

Mr. Blasch referred to the Board Policy regarding this issue and it states that a resolution with a two-thirds majority vote of the full board can be made to name a facility. A consideration of two years will be imposed for the passage of any such resolution within the time it is presented with a formal written request.

Mr. Blasch is concerned why this has not reached the Board.

Mr. Eccles noted that if more such recognitions will be occurring in the future it may be necessary to create some type of honor wall instead of actually naming buildings and auditoriums after these individuals.

A decision was made to have the request distributed to the entire board and at that point a vote would be taken to determine if there would be Board approval for this request.

8. Committee Reports

Reports were not made at this meeting.

- a) Board Policies
- b) Educational Development
- c) Finance/Facilities
- d) IU Board
- e) Education Foundation
- f) Technical School
- g) Technology

9. Future Topics

None.

10. Agenda Development for the February 27, 2007 Public Board Meeting

None.

11. Other Board Business

Mr. Bowman advised that at the last meeting a Facilities study was approved to be performed by McKissick which would include a usage study for efficiency and enrollment purposes. Mr. Bowman noted that last June it was voted upon that it be considered that the program at Tawanka be moved. This is not an attempt to cut the program in any way or form.

Mr. Bowman ask whether there was consensus on the Board to ask McKissick to provide an expedited recommendation on where Tawanka students could possibly be placed for the 2007-2008 school year.

Mr. Kadri stated that he too is performing an analysis of the facility and has just received real estate information. Mr. Kadri stated that he has visited the Pennsbury program and there are contractual differences between the two programs. Mr. Kadri noted that he is looking at all aspects from moving the program to another facility, keeping the program at Tawanka and fully renting out the existing building to complimentary tenants, etc.

There was Board consensus to have McKissick perform this type of study.

Mr. Eccles thanked the Carl Sandburg staff and Ms. Dawn Kelly for hosting the breakfast for the Board.

12. Adjournment

Mr. Bowman moved that the meeting be adjourned and Mr. Koziol seconded same. Mr. Eccles adjourned the meeting at 9:30 pm.

Respectively submitted,

Anita E. Walls
Board Secretary