

NESHAMINY SCHOOL DISTRICT
Langhorne, Pennsylvania

PUBLIC BOARD MEETING
PUBLIC WORK SESSION MINUTES
NESHAMINY BOARD OF SCHOOL DIRECTORS
June 5, 2007

The Neshaminy Board of School Directors met in public work session on June 5, 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. Sandra Costanzo
Dr. Geeta Heble**
Mr. Joseph V. Paradise
Dr. Jacqueline Rattigan

OTHERS: Approximately 12 persons from the public, staff and press

SECRETARY: Mrs. Anita E. Walls

SOLICITOR:

Thomas J. Profy, IV, Esquire

*Mrs. Susan Cummings - Arrived at 7:12 p.m.

** Dr. Heble - Arrived at 7:28 p.m.

*** Mr. Frank Koziol - Left at 8:35 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. Announcements

No announcements.

4. Public Comment

Mr. Solis Basen, Villages of Flowers Mills, Langhorne, PA, congratulated the Class of 2007. Mr. Basen credited the Administration and faculty for a fine job. Mr. Basen also thanked Mr. Paradise for sharpening the pencil. Mr. Basen further thanked the Superintendent, the Board, and Finance Committee for all their hard efforts regarding the budget.

Mr. Steve Rodos, Villages of Flowers Mills, Langhorne, PA, stated "easy does it on school closures." After attending the last meeting and watching the reruns on T.V. he was pleased with the information provided by McKissick and Company. It appears that by following their suggestions the Board will have the ability to back up any decision they make with the appropriate underlying background material. According to McKissick the presentation is in the option development stage. McKissick plans to bring less than 20 options, including the conventional wisdom option of closing Neshaminy Middle School and an elementary school. These options have not yet been presented and when presented will include all the costs which accompany each option. It was stated that the only thing off the table was the High School containing grades 9-12. Mr. Rodos urged the Board not to make the leap to closing schools before you have seen all the options. Mr. Rodos urged the Board to explore the options before taking the next step. The bottom line is that in all likelihood a school should and will be closed. However, the learning environment of the 65

students should not be disturbed at Tawanka without knowing for sure where they will be placed. The students and parents should not be disturbed at the facility to which they will be moved. The savings to the district will be approximately \$100,000 which is less than 1/10 of 1% of the \$165M budget. Explore all the options, some may be obvious, some may not. Mr. Rodos would then like the Board to show the same determination when confronting the \$4M being spent for the Tech School. The Tech School has seen an increase in expenditures from Neshaminy from \$1.5M to \$4M since 2003 according to the minutes of the March 27th School Board meeting. This is an obvious increase in expenses of \$2.5M as compared to a savings of \$100,000 by closing Tawanka plus untold aggravation.

5. Items for Discussion

- a) High School Construction Update
- Reynolds Construction – Mr. Damion Spahr
 - ATS&R – Mr. Paul Erickson

Mr. Paradise advised that Mr. Erickson and Mr. Spahr would address the Climbing Wall and Challenge Course issues which are coming to conclusion.

Mr. Erickson updated that the drawings are completed at this time and have been sent out for pricing. A meeting was held with the school district and staff regarding the Challenge Course delay points as well as the support mechanism that was needed in the structure above. The drawings have been issued to the construction manager and prices have come back. Shop drawings have been turned around with review and comments with basic approval. Two choices are available: To replicate what is in current Gym 2 or go a step further and add future component parts to expand the curriculum. The work has been designed and ready to go forward. The Climbing Wall apparatus points have been designed and are ready for completion.

Mr. Erickson advised that Adventures has prepared the Climbing Wall design for the district and it has been submitted for pricing and the prices have come back and are ready for a decision to be made.

Mr. Spahr noted that the pricing on the Climbing Wall apparatus from Adventure is about \$48,000. The report received by the Board reflects same to be a \$60,000 item. The district is looking at other ways to procure that and save the mark-up. Different options are available. Savings are essential.

Mr. Spahr advised that the roof insulation thickness will not cost the school district any additional funds since the roofing contractor, due to the relationship with the school district, has elected not to pursue the added costs. Mr. Spahr further advised that the pipe insulation thickness has a price of \$43,000 and due to code requirements the price is down to \$22,000. Other areas have been identified that if materials are used efficiently and specific methods are used cost savings will be presented in the future.

Mr. Spahr advised that the roadway is the major issue at the present time. The engineer is waiting for PennDot to return with comments.

Mr. Spahr advised that the schedule is being maintained for Unit "G" which is the first classroom building which will be occupied around December.

Mr. Koziol questioned the field hockey field upgrades and whether same were in the original plans. Mr. Spahr advised that the improvements needed to be done. Mr. Paradise advised that \$75,000 of funding for this project is coming from another source. Mr. Paradise advised that this was in the budget to perform work at the field. Resolution of many problems has taken place, i.e. drainage problems and curvature of the field.

Mr. Koziol questioned a Technology bid by Summit regarding rerouting of wiring. Mr. Spahr advised that the change order was caused because utilities exist in the structure which have not been documented. Enunciation wiring was run underground and where ever it needed to go without any documentation whatsoever. The wiring has now been rerouted on top of the existing building to avoid any future problems.

Mr. Koziol asked whether the depth of the footings has been changed. Mr. Spahr advised that credits in the amount of \$85,000 and \$25,000 have been received. The interior footings have been modified to still meet code, but to save on labor and materials, therefore savings in the amount of \$110,000.

Mr. Webb inquired what percentage of the project is new construction. Mr. Spahr advised that approximately 60%. Mr. Erickson advised that the majority of that space is instructional.

Mr. Webb asked whether this was considered a quality project. Mr. Spahr responded that he absolutely considers same a quality project. Mr. Erickson advised that quality materials, quality construction and quality contractors are working on the project.

Mr. Spahr advised that in Unit "G" 70% of the windows are complete, the brick and roof is completed. Rough-in is done and completion of December 7th. This includes the "F" corridor and Unit "K." Unit "J" which includes the climbing wall has been pushed out a small bit. Renovations are taking place in the band room with an early September completion. Cafeteria renovations will take place this summer.

Mr. Kadri asked whether the "G" wing was weather insulated. Mr. Spahr advised that for the most part it is weather insulated and there should be no problems if rain should arrive.

Mr. Spahr advised that Township inspections are taking place.

Mr. Spahr advised that Unit "J" is being built earlier by the contractors and may have an earlier completion date. It has also allowed the contractors to avoid escalation costs for materials.

Dr. Spitz inquired regarding the price of the climbing wall. Mr. Spahr advised that the total amount is approximately \$136,000 combination of both issues.

Mr. Paradise advised that the total project construction amount is approximately \$70M plus soft costs which brings the total to approximately \$82M. The bond issue is for \$77M and difference is being made up by investment income and premium bonds.

6. Items for Approval

a) **Overnight Trips**

Neshaminy High School – Future Business Leaders of America to the FBLA Leadership Conference in Chicago, IL - June 26 – July 2, 2007

There was Board consensus for this trip.

b) **Adoption of the 2007-2008 Budget**

Mr. Eccles presented the following motion:

WHEREAS, the Neshaminy Board of School Directors received a 2007-08 *Working Draft Budget* from the administration on January 9, 2007. The Board has reviewed and adopted a *Preliminary Budget* on February 13, 2007 and subsequently adopted a *Proposed Final Budget* on May 1, 2007, all in accordance with Act 1 of 2006 and the Public School Code of 1949, as amended. Notice of intent to adopt the budget has been duly advertised as required by law and the budget was also made public throughout the process on PDE Form 2028 as required by law.

WHEREAS, in accordance with the Pennsylvania School Code, the Board of School Directors must adopt a *Final Operating Budget* for the 2007-08 fiscal year.

NOW, THEREFORE, BE IT RESOLVED that the Neshaminy Board of School Directors adopt a *Final Operating Budget* of all funds in the amount of \$198,345,323 together with -

- Capital Improvement Projects including Neshaminy High School construction in the amount of \$33,907,950
- Federal and other programs in the amount of \$3,661,049; and
- Carry-over purchase orders of \$165,477

BE IT FURTHER RESOLVED that the capital projects budget will be funded from proceeds of the General Obligation Bond Issues - Series of 2004, 2006, and 2007 Series B. The federal programs budget will be funded by specific federal grants. In order to fund the general fund budget, \$7,000,000 will be allocated from the existing fund balance, and the following taxes are hereby levied:

1. Real Estate Tax	142.3 mills
2. Interim Real Estate Tax	142.3 mills
3. Per Capita Tax - School Code	\$5.00
4. Per Capita Tax - Act 511	\$10.00
5. OPT/EMS Tax	\$10.00
6. Business Privilege Tax	1 mill wholesale, 1.5 mills retail, \$5.00 license fee
7. Mercantile Tax	1 mill wholesale, 1.5 mills retail, \$2.00 license fee
8. Real Estate Transfer Tax	1%
9. Amusement Tax	10%, as amended by current law

Mr. Bowman seconded the motion.

Mr. Kadri provided an overview of the budget. Mr. Kadri advised that the budget was prepared taking into consideration the sustainability from a financial standpoint with the need programmatically to maintain and grow excellence within the district. From a sustainability standpoint Mr. Kadri likes to look for a guideline. Three came to mind: inflation rate, Act 1 restrictions and the context of last year's budget. Budget increases are slightly over 2%. Act 1 restrictions say that taxes can only be increased by 3.4% with some exceptions (special education and construction at the high school). The district is well under the Act 1 guidelines. From last year's budget prospective the increase of \$133 is significantly lower.

Mr. Kadri advised that the budget addresses the non-financial priorities both identified by the Board and school district. The resources to move forward on certain priorities discussed with the Board. Mr. Kadri noted that the budget process is a continuous effort and any changes in the future will be brought to the Board's attention.

Mr. Paradise reviewed the Budget document with Board members. Mr. Paradise noted that a budget of all funds must be adopted in compliance with the law.

Mr. Paradise noted that the letter at the beginning of the budget document summarizes the budget document; Mr. Paradise read the section regarding the Fund Balance. "The reconciliation page in the summary section shows the district's use of \$7M of the fund balance to provide enough revenue to offset expenditures. When a fund balance is used to offset revenue shortages, we must realize that the same amount must be available the following budget year or we will have to increase the millage to make up that amount. Each mill is valued at \$774,779. If there were no equal fund balance in successive years, the district would have to make up the value of the \$7M with a 9.03 mill increase. As of June 2006, the district's fund balance was \$13.7M. It is estimated that this could be reduced to approximately \$10M as of June 30, 2007. A district's fund balance impacts on its credit rating and Neshaminy currently benefits from an A-1 rating."

Mr. Paradise reviewed the Capital Projects Budget and Capital Reserve Budget.

Mrs. Barrett inquired when the value of the mill is updated. Mr. Paradise advised that the mill is updated annually and is the result of receiving data from the Board of Assessment and accumulation of assessments of every property within the school district. When the assessments increase the mill is increased. Mr. Paradise noted that on page 172 a History of the Millage rates is described.

The value of the mill in the current budget is \$774,779.

Mr. Koziol questioned the difference in numbers within the various budget documents presented. Mr. Paradise advised that Federal programs have now been included in the budget document. Mr. Koziol advised that there have been no significant changes in the numbers from the last edition of the budget.

This budget document only includes the things that are known about at the present time. Future federal programs will be included later.

Mr. Eccles inquired if 4.9 mills is the true increase. Mr. Paradise responded that it is. Mr. Eccles asked what does the .5% represent. Mr. Paradise advised that it is compliance with Act 1. Taxpayers need to know that the increase is 4.9 mills.

Mr. Eccles inquired about the Fund Balance and why increase taxes if money exists in the bank. Mr. Paradise advised that it is the Board's discretion whether or not to use Fund Balance and how much to balance the budget. Mr. Paradise's comment is "Caution." How much is used is the Board's decision. This budget is using \$7M.

Board discussion ensued regarding the Fund balance and use of same in past years.

Mr. Webb stated that the district cannot keep spending its savings.

Mr. Koziol provided the following statement:

"I can not, and will not, vote for this budget for the following reasons:

Hiring practices:

We have talked in length about how the student population continues to decrease and yet we continue to add more positions. At last count we are down over a 1,000 students in the past few years but have increased our staff by 57 employees. Currently our April 2007 figures are lower than 2007-08 projections (projected 9,109 actual for April 2007 – 9,077) **and this budget includes the hiring of three additional personnel.**

Last year the board and the Administrative Staff agreed that in the future the staff should be reduced by attrition. With the exception of the Business Department this has not happened. We are about to continue to increase our staff.

In the past I have brought up several areas that appear, in my opinion, to be excessive or out of date technologies or just inefficient. They are:

1. The duplication of the semi-management positions of lead teacher and department head. The Lead teacher program was born in an attempt to cut down on Administrative positions. But the number of lead teachers has risen from 3 to 13. I suggest we do away with these positions and return the teachers to the classroom.
2. The IT Department has a person assigned to each school. The purpose of this old way of doing things was started when Carter was president, when the US invaded Grenada, when John Lennon was assassinated, and when Saint Helens erupted and when teachers wrestled with DOS. They needed help. However, the era of holding teachers hands went out with Windows 95 (1995). I would dare to say, that most of our teachers own their own PCs today and are very proficient in its use. I am sure that OUR professional staff is quite able to negotiate the "click" and the "double click."

While continuing to waste money in providing obsolete services we should be training our people to handle such items as assisting in the installation of equipment. So that we don't have to pay a vendor \$242,000

to remove and install the new Cisco equipment. To think that only Cisco people can provide the services of removing and installing equipment is implying that only Cisco people are smart enough to learn new technologies. I suggest doing away with the old positions and retrain our people so they could serve the district better.

3. I will not support a budget that does not include the closing of Tawanka. With only 30 to 60 students in a school that can hold 550 students, keeping it open is just PLAIN STUPID. Since every one of our schools are under utilized moving the services to another school is not only obvious it is ridiculously obvious. The last time I brought up this subject I was challenged with "What are you going to do with the children?" Well I AM NOT AN EDUCATOR BUT THE ANSWER IS OBVIOUS. All of our children should be given every opportunity affordable, without thinking longer than a NY second I would recommend the services and the students be moved to our best school were there is ample space and that school is Maple Point. It was pointed out by McKissick that Maple Point was our best school and under utilized.
4. In the past we discussed the absorbent cost in the Vocational Ed department. In my opinion the vo-tech department seems struck in teaching older programs of little value. It has the honor of leading the county in cost. No one else is even close. This is an excessive abuse of taxpayer dollars. With Math and Reading courses needing help this money would be better spent on these subjects. This department is bloated and looks like a dumping ground rather than a department offering serious course work. It should be totally evaluated and it's curriculum should be closely scrutinized. It also appears that there is a duplication of services with the Tech school. 5.4 million dollars plus \$4 million for BCTHS you have got to be kidding.
5. I won't support this budget because I have not seen or BEEN told of any serious internal study to restructure the middle schools or high school or to the relevance of subject matter, class sizes, over staffing, under staffing etc. There has been no study on administrative positions or support positions. There has been no plan of attrition offered by the Administrative staff. I have heard of only one department that tried to make a contribution and that was in Paradieses' area of influence. Thank you Joseph. WHAT I HAVE SEEN IS A STALLING ADMINISTRATION THAT JUST PUTS EVERYTHING OFF LONG ENOUGH TILL THE BOARD HAS NO OTHER CHOICE BUT TO ACQUIESCE.
6. All of our schools are under utilized schools YET we have a fleet of inefficient modular classrooms PARKED OUTSIDE. Need I spend time on this item or is it self evident?

I IMPLORE THIS BOARD DO NOT RUBBER STAMP THIS BUDGET BUT INSTEAD REJECT IT IN IT'S ENTIRETY. Give this budget back to the Administration and direct them to bring us back a balanced budget with no tax increase.

It is your fiduciary responsibility to demand this budget be brought into balance by managing our resources more efficiently rather than on the backs of the taxpayers.

A famous world leader once said "A NO UTTERED from deepest conviction is better and greater than a YES merely uttered to please, or what is worse, to avoid trouble."

I SAY ENOUGH IS ENOUGH!!"

Mr. Webb noted that an editorial was written in the Courier regarding the McKissick report and Mr. Webb had the report from 2001 which basically stated the same thing. The suggestion is the closing of some schools. Tawanka is a concern to Mr. Webb. Mr. Webb does not want to close Tawanka if there is not a place to house the students. However, it has been put off and Mr. Webb questions the \$100,000. None of the information shows a rental value and looks forward to same. Mr. Webb noted that the number of students is 34. Mr. Webb agrees with Mr. Koziol with respect to the hiring of additional personnel. Mr. Webb also is concerned with the Fund Balance. Mr. Webb feels that the district needs to curtail spending.

Mr. Webb will not support this budget.

Mr. Blasch noted that Mr. Koziol statement was excellent. The increase of \$133 for average household is a lot of money for people on fixed incomes. The district in the past had a zero budget increase and paid the price for same in later years. It is not good to go in with a zero increased budget. Mr. Blasch stated that this is a workable budget and will be taking care of things the district really needs. 80% of this budget is salary and benefits. These are contractual items and they cannot be cut. The other 20% are the things the district really needs. Buses need to be replaced, computers need to be put in rooms, curriculum upgrades, etc.

Mr. Blasch will be in favor of the budget.

Dr. Spitz thanked Mr. Koziol for his excellent points. Dr. Spitz noted that the staffing is down two positions from last year. Dr. Spitz is aware that there are contract obligations. There is very little flexibility with salary and benefit expenditures. Dr. Spitz feels this is a reasonable budget. The Administration worked very hard to obtain the numbers. Dr. Spitz hopes the district can duplicate this type of result next year.

Dr. Spitz will support this budget.

Mr. Bowman noted a few concerns with the budget. The guidance positions and counselor student ratio is necessary, however, Mr. Bowman would like to see more concrete plans as to exactly how that money will be used and impact students. Mr. Bowman does support the positions. Tawanka is also a large concern and it is upsetting that there is no resolution to the matter. Mr. Bowman is confident that the issue is being seriously looked into and will be over the next several months. Hopefully, the Administration can make a recommendation to the Board and proper time can be taken to move the students and obtain a tenant. Mr. Bowman noted that a major decline in enrollment is being experienced in Neshaminy. Keep a sharp eye on all positions. The McKissick report needs to be looked at closely and make appropriate decisions.

Mr. Bowman will be in support of the budget.

Ms. Boyle does have concerns about the budget namely the increase and Tawanka issue not being resolved. Guidance counselors are of concern, however, they are necessary. Ms. Boyle has reservations about the budget and would like to have seen more reductions in staff considering the fact that there were a certain amount of retirees.

Ms. Boyle will be in support of the budget.

Mr. Koziol stated that he does not want to take any money from the students, but look at those things as managers we could be controlling the costs of. The most important people within the school district are the students. Mr. Koziol has suggested to move the Tawanka students to Maple Point, because he wants the best for those Tawanka students. The assets need to be managed better.

Mr. Blasch stated that the Board will be faced with some major issues in the next two years. This Board will need to make some tough decisions. Major changes need to take place, however, these changes will save a lot of money.

Mr. Eccles feels Act 1 is not a good law. Districts could increase the budget upwards of 13 – 14% given some of the areas of exceptions. The district would not be doing a good job if it would follow under the guidelines of Act 1. Double digit increases are legal, however, where does it leave the taxpayers. Mr. Eccles is concerned with the Courier article regarding the closure of school. Has the editor who wrote the article ever attended a meeting. Closure of a middle school has been discussed for years. Moving to fast, 5, 6, or 7 years is not exactly fast. Misinformation is confusing the public.

Mr. Eccles noted that anytime someone takes a stance for fiscal responsibility they are looked at as not liking kids, they don't like education, they don't want anything to happen good for the kids. The Board is put into positions where there is not enough time to review and make decisions. What would happen to the kids if the

budget was not passed? Mr. Eccles holds a high esteem for the students and wants nothing but the best educators and best education that money can buy. However, there is a point of fiscal responsibility. Mr. Eccles feels there is a distinction between educators and lay people. If a lay person says we need fiscal responsibility they are deemed to be anti education. That is absurd. In the private sector a CEO can obtain a balanced budget. A CEO can make decisions to close a school, a CEO can move students and still maintain the integrity, if not; improve the integrity of the educational system.

Neshaminy has the greatest teachers and support staff and administrators. Next year at this time the Fund Balance will be \$14M. Mr. Eccles stated that we cannot meet Act 1 requirements. When Board members are asking to close a school it does not mean that we are against education, it does not mean we are against the kids, it means that enough is enough.

Mr. Eccles noted that Tawanka was a money making machine when it was first introduced. Tawanka was going to house 90-180 students. It was sold to the Board to pay for itself and earn revenue to the district. Those students need the best they can get. We need the best educators we have to educate these students. Mr. Eccles attended two academic functions. Mr. Eccles' son was in the top 5% of his class at the High School and the second was at the Carl Sandburg Middle School Academic Dinner. These are the best and brightest students.

Mr. Eccles will not support the budget. The students will get the education, however, we do need to make some tough decisions. Fiscal responsibility is not a bad word.

Mrs. Barrett stated that she believes the budget is reasonable. The budget increase is below the inflation index.

Mr. Kadri stated that expenditures are going up 2.06% which is well below inflation. Act 1 does not measure how much expenses increases, it measures the impact of taxes. The increase of taxes is 3.4%.

Mr. Eccles requested a roll call on the Budget as presented. The roll call tally indicated the motion passed with six ayes (Dr. Spitz, Mrs. Cummings, Ms. Boyle, Mr. Bowman, Mr. Blasch, Mrs. Barrett) and three nays (Mr. Webb, Mr. Koziol and Mr. Eccles).

Mr. Bowman would like to see the budget process begin earlier. The community needs to see the process.

c) Short Term Bank Notes

- **Tax & Revenue Anticipation Note**

Mr. Paradise noted that Board approval will be necessary at the end of the month in order to advance pay all the hospitalization costs for employees and save a considerable sum of money even after paying the interest rate on the Note.

- **Technology Note**

Mr. Paradise noted the amount is \$949,000 for a term of 4 years. This will be up for approval at the end of the month.

d) Review of Proposals for New Auditors

Mr. Paradise advised that the district has reviewed three auditing firms and the board was provided with a summary of their fees. Mr. Paradise advised that he is recommending the firm of Barbacane, Thornton & Company as being the firm with the most governmental auditing and excellent references. Mr. Paradise advised that the firm of Maillie, Falconiero & Company would be the second choice and would be less expensive than the other firm. After Board discussion there was Board consensus to use the firm of Maillie, Falconiero & Company as the new auditors for the district. A motion will be prepared for the end of the month.

e) Approval of Budgetary Increase for Federal & Other Programs (2006-07)

Mr. Paradise advised that this motion will be presented at the public meeting and it will take the district's current year operating budget and add to it every program received during the course of the entire year.

f) Facilities Professional Services/Consultants for 2007-08

Mr. Paradise advised that this motion will be presented at the public meeting and these professionals/consultants are anticipated for use during the next fiscal year. The Board will approve same and were provided with examples of the work that will be required by these professionals.

g) Approval of Year End Budget Transfers

No enclosure provided. This motion will be adopted at the end of the month and is a standard motion as directed by the Auditor General's office to allow for budget transfers that would need to occur after the audit in order to comply with state laws.

h) Proposal to Increase Food Services Prices

Mr. Paradise introduced Mrs. Wallace, Director of Food Services, to review with Board members the Financial Analysis of Operations and Proposal to Increase Revenue. Mr. Paradise advised that if lunch prices are to be increased experience has taught the district that you do not want to implement increases during the school year. Increases are best at the beginning of the school year.

Mrs. Wallace advised that Food Service has not increased lunch prices since September 2003-2004, when the elementary price was increased from \$1.60 to \$1.70. Secondary prices increased from \$2.00 to \$2.10. After the price increase, participation in Type "A" or paid lunches decreased 1%.

Based on enrollment numbers, lunch participation increased ½% last year to 44.2%. However, based upon attendance, the current rate is 51.7%.

Based on a survey of surrounding school districts, Neshaminy's lunches are on the low side. A price increase for September 2007-2008 would not place Neshaminy out of line with other school district lunch prices.

Mrs. Wallace reviewed the price comparison sheet with board members.

Board members asked questions of Mrs. Wallace regarding the food services program. Mrs. Wallace further explained to board members that some of the factors affecting lunch prices are as follows:

- Commodity processing costs increasing
- Increased food costs from vendors
- Available commodity products continue to be reduced
- Initial bid information indicates a substantial increase in prices
- Payroll costs are projected to be higher
- Aging cafeteria equipment requires replacement
- Catering events have declined
- Insurance and medical costs are predicted to continue to rise
- Enrollment numbers continue to decline

Mrs. Wallace stated that the Food Service Department recommends the following price increase starting September, 2007 due to a shortfall in the proposed 2007-2008 budget:

- Increase elementary school lunch price from \$1.70 to \$1.85
- Increase secondary school lunch price from \$2.10 to \$2.25
- Increase milk price from \$.45 to \$.50

Mrs. Wallace advised that Food Services also has a Fund Balance and as of the last profit and loss statement the balance was approximately \$450,000. The state requires that you have no more than three months operating expenses in your Fund Balance.

The Board ensued in discussions. Mr. Webb stated that he was in agreement with the information presented this evening regarding Food Services. The Board would have time to think about the increase and a motion regarding same would be prepared for the public meeting for the Board to take action.

i) Bids/Budget Transfers

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

Bid No. 08-05 Transportation Parts Supplies

Bid Amount: \$97,769.66

The bid is for various supplies for the maintenance of District vehicles for school year 2007/2008. Quantities on this bid are estimated. The actual quantities purchased may vary from this estimate but will not exceed the total recommended for award.

Mr. Paradise advised that Bid No. 08-05 will be presented at the public meeting for approval.

7. Superintendent's Report

Mr. Kadri stated that Graduation for the Class of 2007 would take place on Wednesday, June 13th. Mr. Kadri wished the Class of 2007 the best of luck and success with their further endeavors. Mr. Kadri advised that the McKissick report is being prepared and it is important that the Board receive valid and accurate information. While reports were done in the past everyone wanted to make sure that they have comprehensive information before any decision was made. Enrollment projections, status of current facilities and what would be needed as far as repairs were concerned, and any other restraints, etc. Specific plans can then be formulated. The Board has requested that this be done in an open process. The District is in the beginning stages. Any information presented at this time is in the initial stages. The District is no where near a final stage. No firm plans have been made. It will be an open process and no necessity to listen to rumors.

Mr. Kadri advised that Maple Point Middle School received a National Grant from the Future Fisherman Foundation in the amount of \$3,000. The money will go to the physical education program.

Mr. Kadri advised that Ms. Lucy Weaver, French Teacher, advised that three graduates have been selected by the French Ministry of Education to teach English in France starting in October, 2007. Frank Mikus, Beth Sosna and Sarah Thompson are the candidates.

Poquessing Middle School Business majors raised nearly \$20,000 for the Make a Wish Foundation.

8. Committee Reports

a) Board Policies

Mr. Bowman advised that the next meeting will be held on Tuesday, June 19th.

b) Educational Development

Dr. Spitz advised that a meeting took place on May 8th. Mr. Kadri and Mr. Kane spoke about the alternative program at Tawanka. Mr. Kadri has formed a Tawanka committee. Excellent presentation was given regarding the Neshaminy Physical Education. A report was given from the social studies department regarding state standards.

c) Finance/Facilities

Budget discussions took place earlier.

d) IU Board

Dr. Spitz advised that Dr. Barry Galasso was hired as the Executive Director.

e) **Education Foundation**

Mrs. Cummings stated the Spring Fundraiser was a huge success. The names of the winners are located on the website. Mrs. Cummings thanked everyone for contributing to the fundraiser.

f) **Technical School**

Ms. Boyle stated that June 1st was the kick off meeting for the construction of the Gymnasium at the Tech School. Graduation date is June 8th at the Christian Life Center. Summer classes will take place at the Tech School. Negotiations are progressing slowly.

g) **Technology**

Mr. Blasch advised that the meeting took place on May 21st and Mr. Blasch provided a project up-date.

- Data Network started on May 21st
- Voice Network installation starts June 11th
- Video Network installation starts August 1st
- Bucks County Internet 2 will start this September
- 550-600 new computers will start installing June 26th after school

9. Future Topics

None.

10. Agenda Development for the June 19, 2007 Public Board Meeting

11. Other Board Business

Mr. Kadri advised that a tour of Tawanka took place by a subcommittee. Maple Point was also toured and also a private facility where Council Rock is renting space. A tour of the Eisenhower facility will take place. A meeting will take place with a commercial real estate firm to discuss rental of the facility.

Eighty students are presently not eligible for graduation, however, certain other factors will come into play and the number will be going down prior to graduation.

The students do have three years to complete the graduation project. Every student is being reviewed and they are awaiting recommendation.

Mr. Eccles stated that he attended the Carl Sandburg Middle School Academic Dinner. It was a tremendous evening. Mrs. Dawn Kelly and her staff do a fabulous job. Mr. Eccles would like to challenge the other middle schools to have an evening such as this to honor its top students.

12. Adjournment

Mr. Webb moved that the meeting be adjourned and Mr. Blasch seconded same. Mr. Eccles adjourned the meeting at 9:35 pm.

Respectively submitted,

Anita E. Walls
Board Secretary