

**EAST STROUDSBURG AREA SCHOOL DISTRICT  
BOARD OF EDUCATION  
FINANCE COMMITTEE MEETING  
September 8, 2015**

**Carl T. Secor Administration Building – Board Room  
5:30 P.M.**

**Minutes**

- I. The Chairman, Robert Gress, called the Finance Committee meeting to order at 5:30 p.m. and led those present in the Pledge of Allegiance. Secretary, Patricia Rosado called the roll.
- II. Board Committee members present were: Ronald Bradley, Robert Gress and Gary Summers.  
  
School Personnel Present: Jeff Bader, Sharon Laverdure, Fred Mill and Patricia Rosado.  
  
Community Member Present: Wayne Rohner and Judy Summers.
- III. **APPROVAL OF AGENDA AND MINUTES**

Motion was made by Gary Summers to approve the agenda for September 8, 2015 and with members of the Committee reserving the right to add to the agenda and take further action in the best interest of the District. Motion was seconded by Ronald Bradley and carried unanimously, 3-0.

Motion was made by Gary Summers to approve the minutes of the August 10, 2015 meeting. Motion was seconded by Ronald Bradley and carried unanimously, 3-0.

IV. **ITEMS FOR DISCUSSION:**

a. EBTEP Appeals Process:

Mr. Bader said that due to the Affordable Care Act (ACA), EBTEP (Employee Benefit Trust of Eastern PA) has adopted procedures to amend their appeal procedures. The current procedures do not meet the timeline requirements under the Act. First appeals will be heard by the healthcare provider. A second level appeal is heard by the Independent Review Office and the final step in the appeals process is for the appeal to be heard at the Trust level. The new procedures will meet the required timelines. The Medical Appeal Procedures document was approved by the EBTEP; therefore, now the school district has to approve since we have our own appeal process. Mr. Bradley asked if the deadline of 60 days is sufficient to submit their claims. Mr. Bader said that it is because the process in the resolution falls within 60 days. If it is declined, it goes to the first level. Mrs. Laverdure said that we do not set the deadline but EBTEP does. Mr. Bader said that is correct. Mr. Gress asked how does this resolution affect previous claims. Mr. Bader this will affect all claims as of July 1<sup>st</sup>. All previous claims will follow current procedure in place.

b. Resolution to provide healthcare coverage for employees working more than 30 hours per week:

Mr. Bader said that under the Affordable Care Act any employee who works on average more than 30 hours per week must be provided health insurance. If not, a penalty will be imposed on the district. The district will provide those employees, like substitutes, healthcare at full cost. Mr. Summers asked is this healthcare is for those who work more than 30 hours. Mr. Bader said they will try to keep the hours that the subs work under 30 but in the event that there are those who work more, they will be given this option. It will be up to them to choose or decline but the subs

will have to pay the health coverage or penalty. Mr. Summers asked if they will get this sheet to fill out. Mr. Bader said that is correct. Mr. Gress asked if they are being offered the same plan or a different one. Mr. Bader said that they will be offered the same plan as District employees, but will have to pay the full price for it. Mr. Bradley asked if the Board is also part of this offer. Mr. Bader said that the Board members are not employees and are not entitled to health benefits from the District; therefore it does not pertain to them.

c. Resolution to adopt Measurement, Administrative, and Stability periods under ACA:

Mr. Bader said that this resolution was created to coincide with fiscal year as oppose to the calendar year. The recommendation is to base this new resolution which will change the measurement period, which is used to measure the average hours worked by certain groups of employees. Mr. Gress asked what other districts do about the healthcare. Mr. Bader said that it was suggested by the Trust solicitor that the timeline coincide with the calendar year rather than the fiscal year, because the new IRS reporting requirements are on a calendar year basis. Mr. Gress said it may become a nightmare down the line. Mr. Gress asked do we calculate the 30 hours a week. Mr. Bader said that it is calculated by 12 months which includes the summer months. Mrs. Laverdure said that some district did not include summer months but we are very careful. Mr. Bader said the average is 6 to 12 months. Mr. Gress suggested not changing individuals in the same assignment due to amount of hours worked. Mrs. Laverdure said that special approval is attained when a certain individual needs to remain in an assignment for a long period of time (above 30 hours a week). Mr. Gress said we should not be switching them around if they are needed in one assignment. Mrs. Laverdure said that on emergency basis, they are approved for a longer assignment.

d. Disabled Veterans Property Tax Exemptions:

Mr. Bader said that the following Veterans are requesting approval for Property Tax Exemption. The State Veterans' Commission approved it and now it is coming to the district for Board approval.

- i. Goldston
- ii. Van Dam

Mr. Goldston is a renewal, which occurs every 5 years. Mr. Van Dam is a new request.

e. Preliminary 2014-15 Year End:

Mr. Bader said that our Auditors, Maillie, are currently conducting their audit from the 2014-15 school year. The figures are pretty preliminary but they are reporting a 2.5 million dollars surplus due to the savings from the salary account. There were some positions that were budgeted for but not filled. Higher salaries for building substitutes were also budgeted. Another reason could be because revenues came in higher. Mr. Summers asked if the tax collection rate came in higher. Mr. Bader said that the district estimated an 89% collection rate but it may have come in higher. The tax collection rate has been increasing in the past couple of years. Mr. Summers asked about the rate for the Earned Income Tax. Mr. Bader said it increased slightly. The percentage for the Earned Income Tax came in higher than what we budgeted for this school year. Mr. Summers asked when will the audit be presented to the Board. Mr. Bader said that the auditors will probably be done in November or December but they may have some solid financial information next month. Mr. Summers asked if they will have a problem providing a report on time. Mr. Bader said no because the issue was with the previous firm. Last year, Maillie, provided the audit report on time.

f. St. Luke's Physician Group proposal for bus driver physicals  
Mr. Bader said that previously the district contracted with Dr. Bruce Davis for bus drivers' physicals but now his practice is part of the St. Luke's Physician Group, Inc. This will align all physicals in a year. The cost will be \$60 per person.

g. Property & Facilities Items

Mr. Bader said that the visitors' bleachers are completed. The pole vault area still needs to be sprayed. There are a few punch list items that should be resolved in a week. The district will probably receive similar applications next month.

Mr. Bradley asked for the status on the dump truck. Mr. Summers said they received an email that said that the district is considering trading with Lehman Township some visitors' bleachers for a dump truck with a plow. Mr. Labar, District Mechanic, inspected the truck and said that it is in good shape. Mr. Gress said that snow plows are notorious for breaking down. Mr. Bader said that it will not be used to plow on a regular basis since we hire contractors to do the parking lots. Mr. Gress said that it would be a nightmare to maintain because the truck is 15 years old; therefore, it tends to have issues. Mr. Summers said that at the next Property/Facilities Committee meeting, will need to gather all details in order to discuss and make a decision. Mr. Bradley said that the Township agreed to clean the roads. Mr. Gress asked about the Fuel Monitoring System. Mr. Bader said that the wiring needs to be replaced. Mr. Bader said that the Gas Regulators work will cost \$1,005.68. Mr. Summers said he would like to know who did the work in the first place. Mr. Bradley asked if there is a warranty. Mr. Summers said that the work will be warranted but the work should have been done correctly in the first place. Mr. Bradley asked if we will use a different company to do the work. Mr. Bader said the district will use a different company. Mr. Summers said that all projects are signed off by the architect. The architect acknowledges and verifies to the best of their knowledge. Mr. Gress said that there is a process but all projects have warranties. Mrs. Laverdure said there were multiple projects that occurred in the past at one time. Mr. Bradley said that going forward, there needs to be checks and balances. Mr. Gress said that the district has checks and balances. Mr. Summers said that we should get the companies who did the job to come back and do the job over correctly.

- i. JTL HVAC/Lighting – Wind Gap Electric Pay App #11
- ii. JTL HVAC/Lighting – Myco Mechanical Pay App #15
- iii. HSN Turf Field – Fieldturf Pay App #3
- iv. HSN Turf Field – Stadium Solutions Pay App #3 FINAL
- v. Francis Smith & Sons Proposal – HSN Fuel Tank Monitoring System
- vi. Myco Mechanical COR #9 – Gas Pressure Regulators

h. Report on meeting with the Pocono Record

Mr. Gress said that the meeting with the Pocono Record went well but he had invited Mr. Shriver. She received the same information that the Legislators received when the Board met with them. Mrs. Laverdure said that we invited Mr. Shriver but he referred our request to Lynn Andrusek. Mr. Gress said that at the meeting, Ms. Andrusek was given in depth information. They discussed the issues that the district is dealing such as inadequate funding, reassessments, cyber charter, etc. Mr. Bradley said that a Board spokesperson was never discussed. Mr. Gress said that the Pocono Record will get back to us.

- i. Request that Monroe County budget for reassessment  
Mr. Gress suggest that the Board write a letter to the county requesting a reassessment. Mr. Summers agreed. Mr. Gress said that this item can be discussed at Monday’s Regular Board meeting and have Mr. Dirvonas, Solicitor, draw up a letter. Mr. Bader suggested having Mr. Dirvonas draw up a resolution for the Board to vote upon at Monday’s meeting. Mr. Summers said he likes this idea this way it can be part of the minutes. Mr. Gress said he agrees with the resolution as long as we reach out to the county.

**V. PUBLIC PARTICIPATION – LIMITED TO ITEMS OF DISCUSSION**

- A. Mr. Wayne Rohner asked who was the general contractor that worked on the fuel tank and what year was this done, 1999 or 2000. Mrs. Laverdure said that the district will gather more information for it to be discussed at the next Property/Facilities Committee meeting. The work needs to be done but they will go back to get the information.

Mr. Rohner asked what meeting was held with the Pocono Record. Mr. Gress said that the Board members met with the Pocono Record to discuss similar items that they discussed with the Legislators in April. They discussed the reassessment issue, tax appeals and lack of funding. Only one reporter came.

- B. Mr. Summers asked if the district will be able to pay the PSERS quarterly payment. Mr. Bader said, “Yes”, because it is a legal obligation whether we get or not get money from the State. Mrs. Laverdure said she previously sent information to the Board on this issue.

**VI. ADVISORY RECOMMENDATIONS FOR CONSIDERATION BY THE BOARD OF EDUCATION**

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by Gary Summers to recommend that the Board consider for approval the following items: Motion was seconded by Ronald Bradley and carried unanimously, 3-0.

- 1. To approve the formal Resolution to adopt the medical appeals procedures for the Employer Benefit Trust of Eastern Pennsylvania (EBTEP).
- 2. To approve the formal Resolution to provide health care coverage for certain employees and their dependents who work on average 30 or more hours per week at their full cost.
- 3. To approve the Resolution changing the measurement, administrative, and stability periods as required by the Affordable Care Act to a calendar year stability period.
- 4. To approve disabled veteran’s property tax exemption for Charles Goldston and William Van Dam as certified by the PA Department of Veterans Affairs for school district real estate taxes.
- 5. To approve the proposal by the St. Luke’s Physician Group to conduct bus driver physicals at a cost of \$60.00 per physical.
- 6. To approve the following Property & Facilities Committee Items:
  - i. JTL HVAC/Lighting – Wind Gap Electric Pay App #11
  - ii. JTL HVAC/Lighting – Myco Mechanical Pay App #15
  - iii. HSN Turf Field – Fieldturf Pay App #3
  - iv. HSN Turf Field – Stadium Solutions Pay App #3 FINAL
  - v. Francis Smith & Sons Proposal – HSN Fuel Tank Monitoring System
  - vi. Myco Mechanical COR #9 – Gas Pressure Regulators
- 7. To adopt a resolution concerning the need for a countywide reassessment of properties in Monroe County.

VII. **NEXT MEETING** – October 12, 2015, at 5:30 p.m. in the Administration Center Board room.

VIII. **ADJOURNMENT** – Motion was made by Gary Summers to adjourn the meeting. Motion was seconded by Ronald Bradley and carried unanimously, 3-0. Meeting was adjourned at 6:06 p.m.

Respectfully submitted,

Patricia L. Rosado,  
Board Secretary