

**EAST STROUDSBURG AREA SCHOOL DISTRICT
BOARD OF EDUCATION
FINANCE COMMITTEE MEETING**

October 9, 2017

Carl T. Secor Administration Building – Board Conference Room

6:00 P.M.

Minutes

- I. The Chairman, Robert Gress, called the Finance Committee meeting to order at 6:04 p.m. and led those present in the Pledge of Allegiance. Secretary, Patricia Rosado called the roll.
- II. Board Committee members present were: Robert Gress, Gary Summers and Lisa VanWhy. Ronald Bradley was absent.

Board Non-Committee members: Wayne Rohner and Judy Summers

- III. School Personnel Present: Jeff Bader, Curtis Beam, Larry Dymond, Scott Ihle, Fred Mill, Ryan Moran, William Riker and Patricia Rosado

IV. APPROVAL OF AGENDA AND MINUTES

Motion was made by Gary Summers to approve the agenda for October 9, 2017 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 Lisa VanWhy and carried unanimously, 3-0.

Motion was made by Gary Summers to approve the minutes of the September 12, 2017 meeting. Motion was seconded by Lisa VanWhy and carried unanimously, 3-0.

V. ITEMS FOR DISCUSSION:

a. 2018-19 Budget Timeline

Mr. Bader provided a 2018-2019 Budget Process Timeline. He highlighted in yellow the milestone dates and noted the Board meeting dates in red to indicate where they fell relative to the deadlines. January 25, 2018 is the deadline to propose a preliminary budget or adopt a resolution indicating the district will not raise taxes more than the index allows us to. Since the Regular Board meeting most likely will be on January 22, 2018, the resolution will need to be passed on this agenda, if the Board plans not to raise taxes above the index. Mr. Summers asked what is the district's index. Mr. Bader said the district's index is 3.4%. Mr. Gress suggested that Mr. Bader bring this item to the Finance meeting in November or December. Mr. Bader said that the proposed final budget will need to be adopted before May 31, 2018. The Board meeting will most likely meet on May 21, 2018. The final budget will need to be adopted before June 30, 2018. The June Board meeting is normally scheduled for the third Monday, which would be June 18, 2018. Mr. Summers asked if the proposed final budget would be adopted at the May 21, 2018 meeting. Mr. Bader said that is correct. Mr. Gress suggested that Mr. Bader give a copy of the budget timeline to all Board members with their Board Briefs.

b. 2017-18 Bus Bid

Mr. Bader said the district is preparing to go out to bid for the next batch of buses. We have had issues this year with the Thomas buses. We are going back and forth trying to work issues out with Rohrer. They have yet to come up with a solution to make them run. Currently, the district has loaner buses but problems still exist due to their inability to collaborate with the Ford engine. The district can proceed in two ways. They can go out to bid and try to tighten the bid specs to avoid the issues we are having, but we would not be able to guaranty that we will be able to catch everything. The other option is to buy the buses through NJPA, a cooperative purchasing agency. Pocono Mountain bought buses from them and we bought six buses through them when it was decided to not purchase buses with the storage compartments. If the district choses to go with NJPA, we can make sure we are getting the buses we want. Mr. Bader said he would like to know what the Committee recommends. The district can still negotiate a price with them due to the quantity that the district is looking to buy, which is 30 buses. Mrs. VanWhy asked if the prices are competitive. Mr. Bader said that they are. Mr. Summers asked who is NJPA. Mr. Bader said they are National Joint Powers Alliance. They go out to bids with school bus vendors. Mr. Summers asked if obtaining the buses through NJPA is legal. Mr. Bader said it is. Mr. Gress said that the only problem is the length of time that the district plans to keep the buses. The repairs will need to be done during the day by the school mechanics, which cause buses to not be available. Mr. Bader said the district has spare buses. Mr. Summers said rather than trying to bid out buses and trying to find the best price like the district did this year, which created buses with problems, he would suggest that the district get the new buses through NJPA. Mr. Gress said the district should check prices, too. Mr. Bader said that the district has some latitude to negotiate the prices.

c. Time & Attendance System

Mr. Bader said that the district is currently looking to replace the Kronos System that is not compatible with the absence monitoring system, AESOP, or the financial system, Munis (Tyler). They tried to see if they are able to get them to interface but both companies are not able to do so as is. Therefore, he and his staff met with three companies Tyler Tech, AESOP and Timeclock Plus to discuss different packages. All companies have the ability to communicate with each other. The district might be able to save money. All programs will be reviewed and once he has the proposals, he will look at streamlining the prices and report back to the Committee with their recommendation. Mr. Gress said that Kronos never worked. The individuals who picked Kronos should not be part of the committee to pick the new system. This item should have been included with the financial package two years ago, which also doesn't fully work. Mr. Bader said it is working fine. Mr. Gress said these systems were supposed to save the district money. Mr. Bader said they are. Mr. Summers asked if Mr. Bader is reviewing the time clock package with Tyler, our current system. Mr. Bader said it's the same company but a different division.

d. Board Financial Reports

Mr. Bader said that some Board members requested a financial report like they have received in the past in their Board book. He has provided tonight a sample report of the revenue and expenditures, which can be done year to date or month to date. Mr. Summers asked if this particular report contains year to date. Mr. Bader said it contains year to date through the month of September. Mr. Summers asked if it's from the general fund budget through September. It states that the revenue totals about 19.5 million dollars and the expenditures total about 29.9 million dollars. Mr. Summers asked if this report can be done monthly. Mr. Bader said the report can be done daily or monthly. Mr. Summers said he would prefer to receive the report quarterly to include a summary of all taxes and State and

Federal revenue. The Board members would be interested in seeing how the district is doing. Mr. Gress asked how can we spend more than what is in the budget. He understands that budget transfers cannot be made yet but are these expenses wrong. According to the report the district has used 9.4%. Before we give out the report, it needs to be reviewed to see what control is in place. Mr. Bader said that by law, we cannot do budget transfers until October. Another option is to lock the system down to avoid a negative account. We will need to train staff to put money in their account correctly. Mr. Gress said according to this report we spent more than we have. Mr. Summers said he would not hand this report out as is. Mr. Gress said that others will see that the expenses are too much and it's wrong. Mr. Summers said that on the first page of the revenue report, it has that the real estate taxes was budgeted at 88 million dollars and we put in 11 million dollars. What is the 12.9%? Mr. Bader said this was corrected with what was budgeted. Mr. Summers asked what did we do with the State figures. Mr. Bader said that the district received 2.2 million dollars in August in subsidy. We are not sure what it will be in October. He is not sure if it will change once the legislators do their budget or if the Governor will move money around. Mr. Summers asked if we only received 2.2 million dollars, thus far. Mr. Bader said the total is 17.4% of expenses as indicated on the last page of the expenditure report.

e. School Supplies

Mr. Moran said that he currently working with Mr. Reichl and Mr. Dilliplane, Intermediate School Principals, to come up with a common supply list per grade level. He is also working on a list for the elementary grade levels. He will be able to report back what they have accomplished at the next meeting. Mr. Gress said that we need to look into what we have, what is required and what the district provides. Mr. Moran said they will be reviewing all details. Mr. Gress said that the issue was with allowing the Principals to make the decision as to what is bought like it happened with the purchase of materials for the libraries. This list should be the same for all schools in order for it to be equally divided. Dr. Riker said the district may need to take this process back in their hands.

f. Letter to Sen. Scavello

Mr. Gress asked if Senator Scavello has responded to the letter that was sent on behalf of the Board. Mr. Summers said the letter was faxed to the Senator's Harrisburg address and local address in Tannersville but Senator Scavello has not contacted Mr. Summers nor has he contacted anyone at the district office. The Board will need to decide if they would like to proceed in another manner. Mr. Gress suggested that the Board discuss this matter at the next Regular Board meeting. Mr. Gress said that he recently texted Senator Scavello on another matter and the Senator texted him back. Senator Scavello's view is that the district has too much and he does not feel the district should get more.

g. School Funding Lawsuit

Mr. Gress said that he reached out to Representative Brown and Senator Scavello about the School Funding Lawsuit that they said they were going to file. They did not respond to him. Mr. Gress said that he is requesting a copy of this lawsuit. He does not feel that they will file this suit because many districts will be harmed. Mr. Summers said that the other lawsuit about Cyber Charter School is now coming to the Commonwealth Court in order for them to decide. It involves 5-6 school districts. They say it involves a violation of the Constitution. It will go to the Supreme Court. We do not know how long it will last.

h. Smithfield TIF –

Mr. Gress and Mr. Summers said there are no update on the Smithfield Gateway Project.

i. Property & Facilities Items

- i. JTL/LIS Masonry – D’Huy Engineering Invoice #46619- \$22,440.21
- ii. JTL/LIS Masonry – Jones Pay App #4 - \$238,442.49
- iii. JTL/LIS Masonry – Allowance Allocation - \$17,375.00
- iv. Lawnmower Replacement Quote – Hilltop - \$11,015.44
- v. LIS Stormwater Investigation Proposal – Master Locaters - \$4,000.00

Mr. Bader said that items i.-v. were approved by the Property/Facilities Committee and forwarded to the Finance Committee. Mr. Gress asked how are they paying for the Lawnmower replacement. Mr. Bader said they will be paying it with money that has been placed in the budget. Mr. Gress said that items that are needed should be placed in the budget. He asked if it is big enough to handle the job. Mr. Bader said that it is.

- ~~vi. Energy Savings Project – Trane Power Meter Proposal – \$35,958~~
- ~~vii. JMH Dumpster Pad – Northeast masonry – \$3,280.00~~

Mr. Bader said that the Property/Facilities Committee tabled items vi. & vii. Mr. Gress asked why. Dr. Riker said that there was a difference of opinion. The vote was split amongst the two Committee members. Mr. Gress said that something needs to be done about the dumpsters. He suggested that it be placed on one of the parking spots. Pads were supposed to be placed there for the dumpsters. This issue was discussed before. Dr. Riker said they should be turned or room needs to be made for them. Mr. Gress said that they can be placed in another spot. Ms. VanWhy said anyplace is better than in the back.

Mr. Summers asked for an update on the storm water investigation. Are they using cameras? Mr. Bader said they are and will get picture for all issues. This will allow the district to see if there are any other problems. Mr. Summers asked if it will take a couple of days and will they go to D’Huy Engineering with their findings. Mr. Bader said they will.

j. All Around Sports Rebate Agreements

Mr. Bader said that Denise Rogers, South Athletic Director, came to him about the All Sports Contract to produce athletic posters for winter and spring sports. If they get more than 25 vendors, the district receives a rebate. Mr. Bader said he asked Mrs. Rogers to get a similar contract for the North Athletic Department. Mr. Gress asked said he agrees with this contract as long as things are done in a timely manner. Mr. Bader said that this is why he wanted to get these contracts to them as soon as he got them so they can get started in November. Mr. Gress said that the schedules were already done. Mr. Bader said that this was a free opportunity that presented to them. Mr. Gress said that the district does not have an advertising policy in place; therefore, we would not know who will check what is placed on the posters. Mr. Bader said he will speak to Chris Brown to write some perimeters so we know who can be placed on the posters and who cannot be. Mr. Gress suggested also looking at political ads that may also want to be included. Mr. Bader said that the district does not want to be responsible for any liability; therefore, will work with Chris Brown on the wording. Mr. Gress that’s fine but the Board is the one that will be asked to approve the contracts. Mr. Bader said that further discussion can be had on these

types of issues. Dr. Riker said that the North contracts states the date through the year 2020. Mr. Bader said this was an error on their part and has received the updated contract that will be placed on the Regular Board agenda.

Mr. Gress asked if the intercom situation at the North Campus was fixed so that the bus drivers are able to hear the announcements. Mr. Bader said that it should be fixed. The company was there today again.

VI. PUBLIC PARTICIPATION – LIMITED TO ITEMS OF DISCUSSION

None

VII. ADVISORY RECOMMENDATIONS FOR CONSIDERATION BY THE BOARD OF EDUCATION

RECOMMENDATION BY THE COMMITTEE:

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

- a. JTL/LIS Masonry – D’Huy Engineering Invoice #46619- \$22,440.21
- b. JTL/LIS Masonry – Jones Pay App #4 - \$238,442.49
- c. JTL/LIS Masonry – Allowance Allocation - \$17,375.00
- d. Lawnmower Replacement Quote – Hilltop - \$11,015.44
- e. LIS Stormwater Investigation Proposal – Master Locaters - \$4,000.00
- f. All Around Sports Rebate Agreements

VIII. NEXT MEETING – November 13, 2017

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Gary Summers to adjourn the meeting. Motion was seconded by Lisa VanWhy and carried unanimously, 3-0.

IX. ADJOURNMENT: 6:37 p.m.

Respectfully submitted,

Patricia L. Rosado
Board Secretary